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To: Orange Juice producers and traders
Labelling Initiative Directors
cc: Fairtrade International Board
Standards Committee
Fairtrade International staff
FLO-CERT staff

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June 13th, 2013

Subject: Orange Juice Price Announcement from Fairtrade International Standards Unit

Dear partners,

During the Standards Committee meeting that took place on March 20th, 2013 the Standards Committee decided on new Fairtrade Minimum Prices and Premiums for Orange Juice, as well as a new pricing model for Oranges for Juice. For details on the decision please refer to the minutes of the Standards Committee meeting available on our website under www.fairtrade.net/setting_the_standards.html.

The new Fairtrade Minimum Prices, Fairtrade Premiums and pricing model are presented in the table below. In addition, Annex 1 contains the revised requirements in the Fairtrade Standard for Fresh Fruit for Small Producer Organizations and the Fairtrade Standard for Fresh Fruit for Hired Labour. These replace the previous version, and are applicable as of June 19th, 2013. All previous exceptions (including that for Ghana) are no longer applicable.

The new Standards are available in English/Spanish/French/Portuguese on our website under www.fairtrade.net/standards.html. The Fairtrade Prices and Premiums are also available in the Fairtrade Minimum Price and Premium Database on our website under www.fairtrade.net/standards.html.

Specific Product Standard	Product	Price applies to	Currency / Quantity unit	Price level ^{1,2}	Fairtrade Minimum Price	Fairtrade Premium	Valid from
1. Orange Juice							
Prepared and Preserved Fruit & Vegetables	FCOJ, conventional	Worldwide (SPO / HL)	USD / 1 MT	FOB	2,300	200	19.6.2013
Prepared and Preserved Fruit & Vegetables	FCOJ, organic	Worldwide (SPO / HL)	USD / 1 MT	FOB	3,250	300	19.6.2013
Prepared and Preserved Fruit & Vegetables	NFC OJ, conventional	Worldwide (SPO / HL)	USD / 1 MT	FOB	650	60	19.6.2013



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Prepared and Preserved Fruit & Vegetables	NFC OJ, organic	Worldwide (SPO / HL)	USD / 1 MT	FOB	970	90	19.6.2013
2. Oranges for Juice for FCOJ							
Specific Product Standard	Product	Price applies to	Currency / Quantity x unit	Price level ^{1,2}	Fairtrade Minimum Price	Fairtrade Premium	Valid from
Fresh Fruit	Oranges for FCOJ, conventional	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent ³)	EXW, Producers working with processor/exporter using bulk export techniques	74% of FOB FCOJ FMP or market price	200	19.6.2013
Fresh Fruit	Oranges for FCOJ, conventional	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW, Producers working with processor/exporter using 6 extractors or less	65% of FOB FCOJ FMP or market price	200	19.6.2013
Fresh Fruit	Oranges for FCOJ, conventional	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW, Producers working with all other processor/exporter set-ups	69% of FOB FCOJ FMP or market price	200	19.6.2013
Fresh Fruit	Oranges for FCOJ, organic	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW, Producers working with processor/exporter using bulk export techniques	78% of FOB FCOJ FMP or market price	300	19.6.2013
Fresh Fruit	Oranges for FCOJ, organic	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW, Producers working with processor/exporter using 6 extractors or less	72% of FOB FCOJ FMP or market price	300	19.6.2013
Fresh Fruit	Oranges for FCOJ, organic	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW, Producers working with all other processor/exporter set-ups	75% of FOB FCOJ FMP or market price	300	19.6.2013
3. Oranges for Juice for NFC							
Fresh Fruit	Oranges for NFC OJ, conventional	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW	50% of FOB NFC OJ FMP or market price	60	19.6.2013
Fresh Fruit	Oranges for NFC OJ, organic	Worldwide (SPO / HL)	USD / 1 MT (juice equivalent)	EXW	57% of FOB NFC OJ FMP or market price	90	19.6.2013
4. Oranges for Juice for processing in consumer countries⁵							
Fresh Fruit	Oranges for Juice for processing in consumer countries, conventional	Worldwide (SPO / HL)	USD / 40.8 kg	EXW	5	0.50	19.6.2013
Fresh Fruit	Oranges for Juice for processing in consumer countries, organic	Worldwide (SPO / HL)	USD / 40.8 kg	EXW	7.50	0.80	19.6.2013



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¹**Ex Works** means that delivery takes place when the seller places the goods at the disposal of the buyer at the premises of the seller or another named place (works, factory, warehouse, etc.) not cleared for export and not loaded on any collecting vehicle.

²**Free on Board (FOB)** means that the seller delivers when the goods pass the ship's rail at the named port of shipment. From that point forward, the buyer has to bear all costs and risks of loss or damage to the goods. Under FOB terms, the seller is required to clear the goods for export.

³**Juice Equivalent** means the amount of oranges for juice needed to make 1 MT of juice (whether FCOJ or NFC).

⁴**See conventional/organic FCOJ/NFC** means that the Fairtrade Premium that applies to 'oranges for juice' is the same as the Fairtrade Premium set for orange juice. For more details on how the Fairtrade Premium must be paid to producers, see the product standard.

⁵**Oranges for Juice for export in consumer countries** is explained in Annex 1, standard requirement 1.3.

For more information, please contact Sarah Howe at: s.howe@fairtrade.net.

Best regards,

Andreas Kratz

Annex 1

In the Fairtrade Standard for Fresh Fruit for Small Producer Organizations and the Fairtrade Standard for Fresh Fruit for Hired Labour:

1.3 Product Description

"Oranges for Juice for processing in consumer countries" are defined as 'oranges for juice' that are sold to be exported to a consumer country and then processed into juice in that country.

2.1 Traceability

2.1.1. For oranges for juice: The processor/exporter must keep a record of the volumes of oranges for juice bought and processed from each producer organization; the date of delivery; and, the quantity of orange juice sold.

2.3 Contracts

2.3.1 For oranges for juice, contracts between producers and buyers **must additionally include:**

- Price to be paid and calculation used for defining price for orange juice equivalent. The contract **must mention** that the price calculation for oranges for juice will be defined according to the yield, as identified in the preliminary analysis report (a report produced according to citrus industry standards from a sample of the fruit delivered, which includes yield information).
- Once available, the preliminary analysis reports from each delivery of oranges for juice must be attached to the contract. In addition, this report **must be** given to the producer 7 days after the delivery of fruit.
- The name of the responsible party paying the Fairtrade Premium to producers.



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4.3 Pricing

4.3.1. For oranges for juice:

The Fairtrade Minimum Price for oranges for juice, as defined in the pricing database, refers to 'oranges for juice delivered at the premises of the processor'. The producer **must receive** a price for the equivalent quantity of juice that his oranges produce (FCOJ or NFC, depending on what is sold to the importer) according to the yield in the preliminary analysis report. The processor/exporter buying oranges for juice from a producer **must pay** the defined percentage of the Fairtrade Minimum Price, or the market price, of orange juice (whichever is higher), to the producer. The percentage defined varies according to the type of processor/export set-up and to the product variety (conventional/organic), as defined in the pricing database.

The Fairtrade Premium defined for orange juice at FOB level applies as the Fairtrade Premium for producer organizations selling oranges for juice. The Fairtrade Premium must be paid for orange juice at FOB level to producer organizations based on the total amount of orange juice sold by the processor/exporter.

4.3.3 Payment Terms

Payment for oranges for juice

The processor/exporter **must pay** at least the Fairtrade Minimum Price to the producer no later than 30 days upon receipt of goods. The processor/exporter **must convey** the Premium and price differential (additional payment in case there is a difference between Fairtrade Minimum Price and realized FOB orange juice price) to the producer no later than 15 days after receipt of payment from the Fairtrade payer. A different timeframe can be agreed in writing between the processor/exporter and the producer but payment must be made no later than 30 days following the end of each quarter.