Subject: Young plant material Premium announcement

Dear Fairtrade Partners,

On 11 October 2018, S&P announced the results of the review of the Fairtrade Premium for flowers and young plant material, including a change in the Fairtrade Premium for young plants from 10% of the commercial price to 0.01 Euros per unit.

This announcement was later withdrawn to allow for sufficient time to work out a proposed initiative to scale the Fairtrade Cents Pilot from its current pilot form to possibly include the entire young plant sector.

During the March 2019 meeting, the Standards Committee discussed the young plant initiative on living wages and decided on the implementation of the Fairtrade Premium for young plants for potential participants of this initiative. During the November 2019 meeting, the SC reaffirmed this decision and decided that Premium payers who will not participate in the proposed young plant initiative on living wages will be required to pay a Fairtrade Premium of 0.01 Euros per unit as of 1st January 2020. Contracts signed prior to that date are to be fulfilled at the price defined in the contract, as it is indicated in the Fairtrade Trader Standard, req. 4.2.2.

For details on the discussions and decisions please refer to the minutes of the Standards Committee meeting available on our website.

For more information, please contact Fairtrade Standards (standards-pricing@fairtrade.net).

Best regards,

Gelkha Buitrago

Director of Standards & Pricing

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