

Project Assignment

Sharpening the definition of small-scale producers in selected products (fruits, vegetables, sugar, tea, cocoa, coffee) 01.04.2019

This project assignment contains the most important information about the project. For additional information on the project, please contact the project manager (contact details can be found below). The project will be carried out according to the Standard Operating Procedures for the Development of Fairtrade Standards. More information on these procedures can be found on the website: www.fairtrade.net

Rationale for and justification of need for the project:

A Fairtrade Small-scale Producer Organization is an organization in which the majority (66%) of its members are small-scale farmers according to Fairtrade's definition. For labor intensive products, Fairtrade International uses indicators that specify the land size to define what a small-scale farmer is.

Indicators for highly labour intensive products used to be developed on request. So far, only a few indicators exist (bananas in Colombia, Dominican Republic and Ecuador; wine grapes in Brazil, Chile, and Argentina and citrus and avocadoes in Brazil). Still indicators are missing for cane sugar, tea, vegetables and fruits in most varieties and regions. With the revision of the small producer definition in the review of the Small Producer Organization (SPO) Standard, it was decided that it needs to be assessed for all highly labour intensive products (fruits, vegetables, cane sugar and tea) where indicators are needed and indicators will be developed on a proactive basis if needed.

In the framework of the SPO review carried out in 2018, a maximum land size of 30 has was included for all products. While making this decision, the SC recognized the need to look at region specific approaches. In particular, it was raised by various stakeholders that such a limit for some products may put produces in Africa and Asia in a disadvantaged position to compete with producers from Latin America that have higher land sizes. This is seen problematic particularly for coffee, tea and cocoa. S&P will therefore look into the possibility to have a lower maximum land size for coffee and cocoa in addition to tea which is already included in the indicator research.

Risk assessment:

- Data about farm size might be incomplete even after further investigation. <u>Mitigation</u>: Involve all relevant stakeholders to collect the data and assess the information existing from the different sources.

 Producers that are directly affected from a change in indicators might not be in agreement with decisions taken

<u>Mitigation</u>: Be transparent about the process and the rationale for the decision, support SPOs that are affected by the amendment to make the necessary changes (with the help of Global Product Management and Producer Networks) as required

| Project start event: | Project start <u>date:</u> |
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| Sharing the draft project assignment with | 01/04/2019 |

Fairtrade Labelling Organizations International e.V. German Register of Associations, No. VR 7795



| the project team | |
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| Project end <u>event:</u> | Project end <u>date:</u> |
| Publication of the indicators and values of maximum land size in the respective product standards | 30/06/2019 |

Project goal and objectives

To sharpen the definition of small-scale farmer in highly labour intensive products and reassess the values of maximum land size for selected less labour intensive products.

Specific objectives

- Collect data on production and land size for all relevant products in all relevant regions/ countries
- Collect data from auditors regarding the SPO definition and applicable land size
- Collect general data of regional averages and national definitions
- Analyse all relevant data
- Make a recommendation to the SC on indicators for highly labour intensive products and values for maximum land size

Project scope

- Assessing the need and developing indicators for highly labour intensive products (fruits, vegetables, sugar, tea)

- Explore the possibility of a lower maximum land size for coffee and cocoa

Out of project scope

- Review the existing indicators for bananas in Colombia, DR and Ecuador, wine grapes in Brazil, Chile, and Argentina and citrus and avocadoes in Brazil

- Assess and develop indicators or values of maximum land size for other products as those mentioned

| Project timelines and information on opportunities to contribute: | | Decision making process: The final decision will be taken by the Standards Committee (SC), a body made up of stakeholder |
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| Sharing project assignment with project team | Feb 2019 | representatives. The SC will aim at making a decision based on consensus. They may reword the final proposal if needed to reach consensus. If consensus cannot be reached, the SC will resort to voting. |
| Assessment of scope and data collection | March 2019 | |
| Data collection and analysis | April 2019 | |
| Conclusion and recommendation | May 2019 | |
| SC decision | 5/6 June 2019 | |
| Publication in product standards | 1 July 2019 | |
| Project owner: | | Project manager (contact point for the project): |
| Gelkha Buitrago, | | Maria Steenpass, |
| Director of Standards and Pricing | | Senior Project Manager Standards <u>m.steenpass@fairtrade.net</u> |



| Project team: - Oksana Forkutsa, Standards Team FI - Ana Rosas, Standards & Pricing, FI - Theresa Glammert-Kuhr, FLOCERT - Chris Oluoch, Fairtrade Africa - Maria Trinidad, CLAC - Iresha Sanjeewanie, NAPP | Project environment (stakeholder groups not part of the project team): Producer Networks FLOCERT regional staff and auditors Monitoring, Evaluation and Learning Unit, FI Global Product Management Unit, FI Senior Advisor on Workers Rights, FI Product responsibles in NFOs Certified Fairtrade small producer organizations in fruits, vegetables, tea, sugar, coffee and cocoa |
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