

To: Fairtrade small-scale producer and hired

labour organizations and contract production

set ups

Fairtrade Traders

**Board of Directors** cc:

> Fairtrade members Standards Committee Fairtrade International

FLOCERT

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## **Announcement:**

For Small-scale producer organizations on flexible decision making on the use of Fairtrade Premium

For Contract Production set ups on flexible decision making on the use of Fairtrade Premium

For Hired Labour organizations on increased flexibility for the optional distribution of Fairtrade Premium in cash to workers, and decision making process for Premium use

## Dear Fairtrade partners,

In view of the current situation the world is facing with the COVID-19 pandemic, Fairtrade's role in supporting the livelihoods of small-scale producers and workers becomes increasingly important. As such, Standards & Pricing, via endorsement by the Standards Committee, is issuing an interpretation note for more flexibility in the decision-making process and use of Fairtrade Premium, until the end of September 2020, to address critical circumstances during the COVID-19 pandemic.

We trust that by taking this decision, Fairtrade can ease some of the negative impacts of this pandemic for workers and farmers. Nevertheless, we count on the efforts of all producers, producer organizations and commercial partners in the Fairtrade system to minimize harm related to COVID19, where possible.

To the employers involved in the production of Fairtrade certified goods: we recognize the disruption in your supply chains and know that they are significant for some of you. Still, we ask that you take all measures necessary to respect the fundamental rights and freedoms of your workers. Please keep your workers safe by ensuring their ability maintain a safe distance from each other while performing their tasks, as well as during any transport you provide. Please also ensure workers have facilities to regularly wash and disinfect their hands. Please continue paying regularly scheduled workers that are required to self-isolate, in order to protect their livelihoods. Please limit overtime to reduce the risk of employees contracting the COVID-19 in the workplace. We ask that you help ensure workers receive adequate healthcare, when needed. We also ask that you carefully consider alternatives to lay-offs and retrenchments, as this would be the worst outcome for workers lacking other income. Particularly, in times of economic insecurity, it is vital that your workers are legally registered and have access to social security. In all decisions on health and safety and employment related to this global crisis, we urge you to work with trade unions and other elected worker representatives through social dialogue, both at sectoral and company level.



To the traders and distributors of Fairtrade product: we ask that you continue your support of Fairtrade producers by meeting contractual terms and investing in your relationship with them. Please work with them, in solidarity, to protect jobs and livelihoods and to help ensure that they have the capacity to put necessary health & safety measures in place for themselves and their workers.

We thank you, Fairtrade producers and commercial partners, for your dedication to the principles of fair trade and confirm our commitment to work with you in order to overcome the short- and long-term challenges you face as a result of the pandemic.

We will continue to monitor the developments and assess the challenges in the implementation of Fairtrade Standards and will inform all stakeholders on any further temporary measures.

Please refer to the interpretation notes, available in different languages, that are relevant for <u>small-scale</u> producer organizations, hired labour organizations, and contract production in Fairtrade's website.

With best regards,

Gelkha Buitrago

**Director Standards & Pricing**