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| **Review of the Fairtrade Standard for Fruit & Vegetables for Small-scale Producer and Hired Labour Organizations** | |
| Consultation Period | September 6th to October 11th, 2024 |
| Project Manager | Ernesto González |

**PART 1 Introduction**

**1.1 General Introduction**

Fairtrade Standards support the sustainable development of small-scale producers and workers in the Global South. Producers and traders must meet the relevant Fairtrade Standards for their products to be certified as Fairtrade. Fairtrade International’s Standards and Pricing Unit (S&P) is responsible for developing Fairtrade Standards in line with the [Standard Operating Procedure for the Development of Fairtrade Standards](https://files.fairtrade.net/SOP_Development_Fairtrade_Standards.pdf) and in compliance with all requirements of the [ISEAL Code of Good Practice for Setting Social and Environmental Standards](https://www.isealalliance.org/our-work/defining-credibility/codes-of-good-practice/standard-setting-code). A fundamental principle is wide consultation with stakeholders to ensure that new and revised standards reflect Fairtrade International’s strategic objectives, are based on producers’ and traders’ realities and meet consumers’ expectations.

This consultation document is part of a review of the [Fairtrade Standard for Fresh Fruits](https://www.fairtrade.net/standard/spo-fresh-fruit), [Fairtrade Standard for Fresh Vegetables](https://www.fairtrade.net/standard/spo-vegetables) and [Fairtrade Standard for Prepared and Preserved Fruit](https://www.fairtrade.net/standard/spo-prepared-fruit-vegetables). In this document, we consult on the merge requirements that were only applicable in one of the three standards, and that are being proposed to be applicable to all; as well as a proposal to reduce unfair trading practices in the supply chains and clarification of the quality claim process.

We kindly ask you to provide your input on these topics and encourage you to give explanations, analysis, and examples underlying your statements.

**The deadline for completing the survey is October 3 2024**. If you have any further comments, please send them to the Standard & Pricing Unit, [standards-pricing@fairtrade.net](mailto:standards-pricing@fairtrade.net)

Following the consultation round, S&P will prepare a paper compiling the comments made. This will be emailed to all participants and also be available on our Fairtrade International website. Next steps of the project are presented in section 1.4 below.

**1.2 Background**

As part of the regular maintenance of the Fairtrade Standards, a regular review cycle of five years is in place. The [Fairtrade Standard for Fresh Fruits](https://www.fairtrade.net/standard/spo-fresh-fruit), [Fairtrade Standard for Fresh Vegetables](https://www.fairtrade.net/standard/spo-vegetables) and [Fairtrade Standard for Prepared and Preserved Fruit](https://www.fairtrade.net/standard/spo-prepared-fruit-vegetables) are due for a review. And, as part of the Fairtrade strategy to improve and simplify the standard architecture, the three standards are being merged into the new Fairtrade Standard for Fruit & Vegetables for SPO and HLO while also looking into possibilities to simplify and align with Fairtrade generic standards.

The goal of this review is to update the standard to new market realities brought up by different stakeholders in the Fairtrade system.

**1.3 Objectives of the review – relevant for this consultation paper:**

* Merge of general requirements from the Fresh Fruits, Fresh Vegetables and Prepared and Preserved Fruits;
* Strengthen environmental requirements;
* Update existing requirements based on objectives listed in the project assignment;
* Develop final proposals for approval by the Standards Committee (SC).

**1.4 Project and Process Information**

The complete [project assignment](https://files.fairtrade.net/standards/Project-Assignment_Fresh-Fruit_EN.pdf) is available on the Fairtrade International website. The current [Fairtrade Standard for Fresh Fruits](https://www.fairtrade.net/standard/spo-fresh-fruit), [Fairtrade Standard for Fresh Vegetables](https://www.fairtrade.net/standard/spo-vegetables) and [Fairtrade Standard for Prepared and Preserved Fruit](https://www.fairtrade.net/standard/spo-prepared-fruit-vegetables) are also available on the Fairtrade International website.

The progress to date and next steps are described below:

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| **Activity** | **Timeline** |
| Project start and scoping | * February 2024 |
| Research | * April-June 2024 |
| Public Consultation | * September-October 2024 |
| Drafting final proposals | * October 2024 |
| SC decisions | * December 2024 |
| Publication | * March 2025 |

**1.5 Confidentiality**

All information we receive from respondents will be treated with care and kept confidential. Results of this consultation will only be communicated in aggregated form. All feedback will be analysed and used to draw up the final proposal. However, when analysing the data, we need to know which responses are from producers, traders, licensees, etc., so we kindly ask you to provide us with information about your organization.

**1.6 Acronyms**

|  |  |
| --- | --- |
| FI  FMP | Fairtrade International  Fairtrade Minimum Price |
| GA  GPM  HLO | General Assembly  Global Product Manager  Hired Labour Organization |
| HRDD  HREDD | Human Rights Due Diligence  Human Rights and Environmental Due Diligence |
| ILO | International Labour Organization |
| NGO | Non-Governmental Organization |
| NFO | National Fairtrade Organization |
| PN  PO | Producer Network  Producer Organization |
| SPO | Small Producer Organization |

**1.7 Target groups and consultation structure**

The target groups of this consultation are:

* Fruit & vegetable producers already certified under the Fairtrade Standard for Hired Labor Organizations and the Fairtrade Standard for Fresh Fruits, Fairtrade Standard for Fresh Vegetables or Fairtrade Standard for Prepared and Preserved Fruit for SPOs, or interested in becoming Fairtrade certified.
* Licensees and retailers as well as traders certified under the Fairtrade Standard for Traders and the Fairtrade Standard for Fresh Fruits, Fairtrade Standard for Fresh Vegetables or Fairtrade Standard for Prepared and Preserved Fruit for SPOs, or interested in becoming Fairtrade certified.
* Producer Networks, National Fairtrade Organizations, Fairtrade International, FLOCERT, governmental bodies, industry bodies, NGOs, researchers and subject matter experts etc.

# PART 2 Standard Consultation

This consultation is divided into the following sections:

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**Structure of the questionnaire:**

For each topic, a description is presented followed by the aim of the proposal. The proposed changes are presented with reference to the relevant requirements in the standard. For each proposed change, the rationale and the implications are outlined. Stakeholders are invited to provide their views on the different proposals as well as to provide additional input.

If the proposal contains amendments to existing requirements, the changes will be marked in red font. For the newly proposed requirements, they will be marked with the text **NEW** , and requirements proposed to be removed will be marked with the text **REMOVE** .

The sets of questions are divided into three groups: SPO specific, HLO specific and Common requirements.

In the case of an SPO, we encourage you to involve your members to provide input to this consultation. In the case of an HLO, we encourage you to involve your workers to provide input to this consultation. Over the period of the consultation, the producer networks (PNs) may be carrying out workshops to have collective discussions on the topics of this questionnaire.

Your input is very important; therefore, please take your time. The online version saves itself automatically, so you do not need to answer all in one go and can return to the questionnaire at a later point.

Please take as much space as you need to respond to the questions and complete the information below:

## Information about you and your organization

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| * 1. **Please provide us with information about you and your organization so that we can analyse the data precisely and contact you for clarifications if needed.**   The results of the survey will only be presented in an aggregated form and all respondents’ information will be kept confidential.  Name of your organization  Your name  Your email  Country  FLO ID   * 1. **Are your responses based on your own personal opinion or is it a collective opinion representing your organization?**   Individual opinion  Collective opinion representing my organization/company   * 1. **What is your main responsibility in the supply chain?**   SPO  HLO  Exporter  Importer  Processor/Manufacturer  Retailer  Licensee  Other (e.g. PN, NFO, FLOCERT, FI, NGO, Researcher, Government agency, etc)     * 1. **What are your main products? Please list them in order of importance.**   1-  2-  3-  4-  5-  Other |

## General Requirements

Requirements for SPO

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| NEW Producer organization **Background**: At the moment, there are indications that there is an oversupply of Fairtrade bananas on the market, which can lead to unfair trading practices and disloyal competition, undermining the Fairtrade mission and principles.  **Rationale**: In order to manage the offer of Fairtrade bananas on the market, it is proposed to include an entry requirement that encourages organizations committed to the Fairtrade mission and principles to become Fairtrade certified.   |  |  | | --- | --- | | Applies to: Producers of bananas | | | Core | You demonstrate that you have been an established and active organization for at least two years prior to requesting certification, with administrative, technical, commercial, and financial capacity by providing General Assembly records, financial reports and commercial contracts of the last two years, and a business development plan.  If your organization does not export the crop directly, you demonstrate that you are engaged with at least one exporter. You also demonstrate you have market potential for at least the first two years of Fairtrade certification with a letter of intent from at least one buyer, with formal communication of business engagement with a Fairtrade buyer (importer); and a business plan agreed between the producer and the Fairtrade buyer (importer). | | Year 0 | | Guidance: Please note that this requirement complements the SPO requirement 1.1.3 (Established organization), 1.1.4 (Market potential) and 1.1.5 (Collective and democratic decision to join Fairtrade).  The business development plan is expected to include all information related to technical assistance capacities and priorities, work plans, membership development plan and information on production and sales estimates. This document can also serve as the business plan, given sale estimates and buyer name are included; demonstrating the aforementioned market potential.  The confirmation of the engagement for the required assistance with an exporter is provided, whether already Fairtrade certified or following the requirement for new exporters (see requirement section 1.1.2) | |   **Implications:** For already certified SPOs, there is no implication. For new organizations that request to be certified, they must provide the documentation needed to fulfil this requirement to become Fairtrade certified.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** REMOVE Restriction on size of cultivated land **Background**: The requirement was created back in 2019 to allow an exception on the requirement for maximum land size for citrus and avocadoes from Brazil.  **Rationale**: The maximum land size of farms is set in the SPO standard so therefore this requirement is not needed since the exception to the requirement is already included in current requirement 1.1.3.   |  |  | | --- | --- | | Applies to: Producers of fruits (except citrus and avocadoes in Brazil) | | | Core | The maximum size of the land where each of your members cultivates Fairtrade fruit is equal to or below 30 hectares. | | Year 0 | | Guidance: This requirement is in addition to the requirement 1.2.1 and 1.2.2 of the Small Producer Organizations Standard.  Please see exceptions below for wine grapes 1.1.2 and for citrus and avocadoes in Brazil 1.1.3. | |   **Implications:** There are no implications expected, as the maximum land size is set in the general SPO standard and the exception to the requirement applicable to citrus and avocadoes will remain in the product specific standard, i.e. current requirement 1.1.3.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for HLO

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| NEW Banana Company **Background**: At the moment there are indications that there is an oversupply of Fairtrade bananas on the market, which can lead to unfair trading practices and disloyal competition, undermining the Fairtrade mission and principles.  **Rationale**: In order to manage the offer of Fairtrade bananas on the market, it is proposed to include an entry requirement that encourages organizations committed to the Fairtrade mission and principles to become Fairtrade certified.   |  |  |  | | --- | --- | --- | | Applies to: Banana companies | | | | Core | You demonstrate that you have been an established and active company for at least two years prior to requesting certification, with administrative, technical, commercial, and financial capacity by providing records of the last two years, and a business development plan.  If your organization does not export the crop directly, you demonstrate that you are engaged with at least one exporter. You also demonstrate you have market potential for at least the first two years of Fairtrade certification with a letter of intent from at least one buyer, with formal communication of business engagement with a Fairtrade buyer (importer); and a business plan agreed between the producer and the Fairtrade buyer (importer) | | Year 0 | | Guidance: The business development plan is expected to include all information related to technical assistance capacities and priorities, work plans and information on production and sales estimates. This document can also serve as the business plan, given sale estimates and buyer name are included; demonstrating the aforementioned market potential. | | |   **Implications:** For organizations already certified this will not have any implications. For organizations looking to become certified, this will mean that they will need to provide more information on the organization.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Land size in banana plantations **Background**: Fairtrade has limited the size of land that can be cultivated by smallholders, but has put no limits on the land size of plantations. This creates an uneven playing field, with advantages to the larger plantations.  **Rationale**: In order to provide a level playing field between plantations and small producer organizations, the proposal intends to set a limit on the total amount of land where the Fairtrade bananas are grown per plantation estates, and number of estates in cases of multi-estate set ups.   |  |  | | --- | --- | | Applies to: Banana companies | | | Core | The maximum land size of the cultivated land per estate is 500 ha.  The maximum number of estates under the same organizational name and legal entity (multi-estates), where you grow Fairtrade bananas is 3. | | Year 0 | | Guidance: This only apply for organization certify after 01 July 202X. | |   **Implications:** For certified organizations, there will be no implications. Newly certified organizations will have a maximum amount of land that can be used to produce Fairtrade Bananas.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

## Trade

Requirements for both SPO & HLO

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| Fairtrade contracts for payers **Background**: This requirement already exists in the fresh fruit standard, but it’s not applicable at the moment to the fresh vegetables.  **Rationale**: The proposal aims to standardise the contracts for fresh fruit and fresh vegetables, and complement the requirement as needed.   |  |  | | --- | --- | | Applies to: Fairtrade payers of all fruits/vegetables, except wine grapes | | | Core | In addition to the requirements in the Trader Standard, you include the following in your Fairtrade contracts:   * Operator’s FLO ID number * Reference to Fairtrade as an integral part of the contract * Date of the contract * Duration of the contract * Product description * Reference to sourcing plans * Minimum volume to be purchased and delivered on a weekly basis for perennial product and on a seasonal basis for seasonal products and volume projection for the duration of the contract * Description of how the system of orders will function (when and how weekly/ single orders are confirmed) * Responsible party for product labelling * Rules for dead freight * Description of the liability of each party and the quality check procedure * Non-Fairtrade payment terms and price mechanism in case of short falling sales and quality problems for each product (see 4.5 Sharing risks) * If applicable, a reference to additional or special packing material and services and related costs not included in the Fairtrade Minimum Price (e.g. for   “cluster bags” or “parafilm”, see also 4.2 Price and Fairtrade Premium) | | Year 0 | | Guidance: This requirement complements the TS requirement 5.1.2 on contracts. For wine grapes, these additional requirements do not apply.  If a producer does not sell at the price level at which Fairtrade Minimum Price is defined (e.g. selling on FOB, but FMP is defined at EXW only), the contract must refer to the packing material and related costs and other services (e.g. transportation) not included in the Fairtrade Minimum Price (e.g. for “clusterbags” or “parafilm”). | |   **Implications:** The proposal seeks alignment with the Trader Standard and to avoid any duplicities and redundancies. In addition, it will make the contracts clearer and avoid grey areas when trading the vegetables/fruits.   * 1. Do you agree with the proposal?   **!***Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Tripartite contracts for oranges for juice **Background**: Contract between the conveyor and the producer and between the conveyors and the payers exists. Due to the processing involved in the production of juice, it is important to have transparency among the three main actors: producers, conveyors and buyer.  **Rationale**: It is proposed to create a transparent relationship between the first three actors of the supply chain to increase transparency.   |  |  | | --- | --- | | Applies to: Payers for orange juice | | | Core | You sign a contract between the producer, the conveyor and the payer. You include in your contracts with producers:   * Quantity of orange juice to be traded. * Payment terms for price differential and premium * Price to be paid and calculation used for defining the price of orange juice equivalent follow requirement 4.2.3 and 4.2.5. of this standard. * Clarification that the price for oranges for juice will be defined according to the yield * Once available, the preliminary analysis reports from each delivery of oranges for juice (as an attachment).   In addition, you give the preliminary analysis report to the producer seven days after the delivery of fruit. | | Year 0 | | Guidance: This requirement complements the requirement 4.1.1 above and the TS requirement 4.1.2 on contracts.  A preliminary analysis report is a report produced according to citrus industry standards from a sample of the fruit delivered, which includes yield information. | |   **Implications:** The change just brings clarity to the actors of the tri-party contracts.   * 1. Do you agree with the proposal?   **!** *tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Fairtrade Contract conditions **Background**: This is a provision to increase the transparency and integrity in all the transactions between the producers organizations and the traders.  **Rationale**: Some stakeholders have reported unfair practices on how the contracts are negotiated.   |  |  | | --- | --- | | Applies to: Traders | | | Core | You do not buy Fairtrade certified products from a producer organization on the condition that the producer organization sells a quantity of non-certified products at a discount or at a price significantly lower than the average price received for non-Fairtrade products by the producer organization. | | Year 0 | | Guidance: Where there are indications that these practices have taken place, the certification body will determine whether there are bonded contracts by requesting from the SPO, payers and/or conveyors the Fairtrade and non-Fairtrade contracts in a determined period.  Anonymous allegations can be seen as a measure to indicate that these practices take place. | |   **Implications:** This requirement enables the certification body to actively check for those practices flagged in the past as undermining the impact of the FMP and FP. It will create a more transparent and fair relationship between the supply chain actors, and will reduce the possibility of unfair trading practices.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Fairtrade Minimum Price along the supply chain **Background**: Fruit and vegetable markets are known for fierce price competition, which could force actors in the supply chain to reduce the price of the products and incur dumping practices.  **Rationale**: Fierce price competition in the fruits and vegetables markets are known practices. This requirement is proposed to avoid the negative impact of those practices on producers and traders.   |  |  | | --- | --- | | Applies to: Traders | | | Core | You do not buy Fairtrade products from your suppliers or sell to your customers below the Fairtrade Minimum Price and Fairtrade Premium set at EXW and FOB level or the equivalent at FOT and/or CIF level. | | Year 0 |   **Implications:** This requirement enables the certification body to actively check for those practices flagged in the past as undermining the impact of the FMP and FP. The price of the products along the supply chain should be at least the Fairtrade Minimum Price preventing disloyal competition and unfair trading practices.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Unfair payment terms **Background**: Some stakeholders have reported the imposition of unfair payment terms during the transactions.  **Rationale**: The proposal aims to reduce the cases in which unjust payment terms are made to producers as conditions to sell under Fairtrade terms, reducing the total impact of the Fairtrade Minimum Price and the Fairtrade Premium.   |  |  | | --- | --- | | Applies to: Traders | | | Core | You do not demand payment terms to POs supplying you that result in financial costs being passed on to the PO and negatively impacting the Fairtrade Minimum Price and Fairtrade Premium. You include all deductions and payments in the invoice paid. | | Year 0 |   **Implications:** This requirement enables the certification body to actively check for those practices flagged in the past as undermining the impact of the FMP and FP. For most of the traders this requirement is not expected to have an impact on their trading practices, nevertheless it will discourage such conditions being imposed on producers.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for SPO

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| Traceability System **Background**: This requirement already exists in the fresh fruit standard, but it’s not applicable at the moment to the fresh vegetables.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly. In addition, current proposals being consulted in the Trader Standard review include increased levels of traceability in Fairtrade supply chains.   |  |  | | --- | --- | | Applies to: Producers of fresh fruit/vegetables for export | | | Core | You indicate in the sales documents, contracts and in the package, the packing station, date of packing and the identification of the individual member on each box (producer code). | | Year 0 | | Guidance: This is applicable to the bulk packing, when delivering to the exporter or importer.  The individual member identification may be a producer code or other. | |   **Implications:** The vegetable producers will include additional information when selling their product increasing the traceability offer for vegetables.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for HLO

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Traceability System **Background**: This requirement already exists in the fresh fruit standard, but it is not applicable at the moment to fresh vegetables.  **Rationale**: It is important to extend the applicability of the already existing requirements for fresh fruit to fresh vegetables, as trade is very similar.   |  |  | | --- | --- | | Applies to: Companies of fresh fruit/vegetables for export | | | Core | You indicate the packing station, FLO-ID and date of packing on each box. | | Year 0 | | Guidance: This is applicable to the bulk packing, when delivering to the exporter or importer. | |   **Implications:** The vegetable producers will include additional information when selling their product increasing the traceability offer for vegetables.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Contracts between company and Small Producer Organizations **Background**: This requirement it is part of the vegetable standard, as some HLOs purchase vegetables from SPOs.  **Rationale**: It is proposed to keep and add the clarification that the HLO needs to be certified against the Fairtrade trader standard to do business with the SPOs.   |  |  | | --- | --- | | Applies to: Companies sourcing vegetables from Small Producer Organizations | | | Core | If you source vegetables from Small Producer Organizations (see requirement 5.1.2), you are certified on the Fairtrade Trader standard and sign a purchase contract for Fairtrade products with the Small Producer Organization. You ensure that Fairtrade purchase contracts include at least the following:   * FLO IDs of operators * Reference to Fairtrade as an integral part of the contract * Date of the contract * Duration of the contract * Product description * Specific Fairtrade Price and Premium for each product * Payment terms for Fairtrade Price and Premium * Volumes of Fairtrade products (minimum and maximum or fixed volume) * Description of pre-finance mechanisms, if any * Procedures in case of quality problems * Deductions from price, if any | | Year 0 |   **Implications:** There are no implications as this only brings clarity to the relationship between HLOs and SPOs.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  Agree  Disagree  Undecided  Not relevant for me  **Please explain your rationale here:** |

## Production

Requirements for both SPO & HLO

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| NEW Environmental Risk Assessment **Background**: Strengthening the environmental requirements has been identified during the research phase as highly relevant in this standard review. To supplement the general requirements in the generic standards, in particular HREDD related requirements currently applicable for HLOs, a set of environmental requirements is being proposed. These requirements build upon each other in order to create a logical process that is expected to enable a reduction of the environmental impact of agricultural practices, generating information for the producer that could enhance their business and attractiveness as a business partner.  **Rationale**: The fruit and vegetable standards rely mostly on requirements in the generic standards to cover the environmental and climate change topics. During the research phase, stakeholders raised the concern that this facet of the sustainable approach should be addressed.   |  |  | | --- | --- | | **Applies to:** Producers | | | **Core** | You carry out an environmental risk assessment that will cover at least the following topics, at least every three years:   * Water use * Soil health * Waste management * Energy use * Biodiversity * Fertilizer/pesticides use | | **Year 0** | | Guidance: The HREDD risk assessment tool is explained in the “[Guide for SPO/HLO](https://files.fairtrade.net/publications/Fairtrade_HREDD-guide-for-plantations_EN.pdf)”. This requirement is complementary with requirements in the generic SPO and HLO | |   **Implications:** The SPOs per the requirement 3.1.3 in the Fairtrade Small Producer Organizations standard, must carry out a risk assessment every three years. With this proposal, the SPOs will include as part of this risk assessment environmental components increasing awareness of the environmental risks and threats to their crops.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Environmental Action Plan **Background**: Strengthening the environmental requirements has been identified during the research phase as highly relevant in this standard review. To supplement the general requirements in the generic standards, in particular HREDD related requirements currently applicable for HLOs, a set of environmental requirements is being proposed. These requirements build upon each other in order to create a logical process that is expected to enable a reduction of the environmental impact of agricultural practices, generating information for the producer that could enhance their business and attractiveness as a business partner.  **Rationale**: Once the organization has conducted the risk assessment, it is important to use the data gathered to create plans that provide actionable measures to manage the risks identified.   |  |  | | --- | --- | | **Applies to:** Producers | | | **Core** | Based on your risk assessment you develop action plans to mitigate, reduce or avoid negative impacts on your crop, natural resources and/or the environment in and around your farms. | | **Year 1** | | Guidance: The plans may include the following topics:   * Water capture * Water use reduction/irrigation management * Wate management * Increase of biodiversity * Organic waste transformation in bio-fertilizers * Energy use/generation * Soil management/Synthetic fertilizers management | |   **Implications:** Increasedalignment with relevant HREDD requirements in current HL Standard.  Producers will be able to tackle the risks identified, which may threaten their business and livelihoods in the future. The action plans enable farmers to act upon those risks, reduce, avoid and mitigate the risk impacting their crops and farms.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Environmental Action Plan implementation **Background**: Strengthening the environmental requirements has been identified during the research phase as highly relevant in this standard review. To supplement the general requirements in the generic standards, in particular HREDD related requirements currently applicable for HLOs, a set of environmental requirements is being proposed. These requirements build upon each other in order to create a logical process that is expected to enable a reduction of the environmental impact of agricultural practices, generating information for the producer that could enhance their business and attractiveness as a business partner.  **Rationale**: As the final logical step in response to the environmental risk, the implementation step is one of the most important as it provides the actions needed to respond to the identified risk.   |  |  | | --- | --- | | **Applies to:** Producers | | | **Core** | You implement the plans developed in the previous requirement X.X.X. You keep records on the effects of the change of practices and monitor the impact on the environment. | | **Year 3** | | Guidance: In some products, the Producer Network of your region can facilitate farm records that help you in measuring the aimed improvement and impact. | |   **Implications:** The implementation of the plans can carry economic burden, but it will provide actions to reduce the environmental risk on the farms. This is complementary to the Climate Change Adaptation Plans that producers may be applying already.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Environmental Footprint **Background**: Strengthening the environmental requirements has been identified during the research phase as highly relevant in this standard review. To supplement the general requirements in the generic standards, in particular HREDD related requirements currently applicable for HLOs, a set of environmental requirements is being proposed. These requirements build upon each other in order to create a logical process that is expected to enable a reduction of the environmental impact of agricultural practices, generating information for the producer that could enhance their business and attractiveness as a business partner.  **Rationale**: The market has become more focussed on the environmental footprints of the products. With the specific footprint values for their products, the producer can use this information as a marketing tool.   |  |  | | --- | --- | | **Applies to:** Producers | | | **Dev** | As part of your actions plans, you calculate at least one of the following:   * Water footprint * GHG footprint * Biodiversity footprint | | Year 3 | | Guidance: The result of the footprints can be used to inform your risk assessment, your action plans and you environmental performance for marketing purposes.  The tools use for calculation the GHG footprint must in line with the ISO 14067:2018 and ISO 14064:2018 | |   **Implications:** As this is a development proposal, it is not mandatory for all the producers, but only producers who have the means and interest to work on these areas and collect the relevant information. The implementation of the requirement will need a performance tracking system to track the different input of each environmental footprint that the PO decides to track.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Biodiversity management **Background**: Strengthening the environmental requirements has been identified during the research phase as highly relevant in this standard review. To supplement the general requirements in the generic standards, in particular HREDD related requirements currently applicable for HLOs, a set of environmental requirements is being proposed. These requirements build upon each other in order to create a logical process that is expected to enable a reduction of the environmental impact of agricultural practices, generating information for the producer that could enhance their business and attractiveness as a business partner.  **Rationale**: The market has become more focussed on the environmental footprints of the products. With the specific footprint values for their products the producer can use this information as a marketing tool.   |  |  | | --- | --- | | **Applies to:** Producers | | | **Dev** | You develop and implement a biodiversity management plan based on your environmental risk assessment. | | Year 1 |   **Implications:** As this is a development proposal, it is not mandatory for all the POs, but only producers who have the means and interest to work on these areas and collect the relevant information. The implementation of the requirement is expected to have a positive impact on the biodiversity of the area of influence of the farms.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** NEW Performance tools **Background**: Strengthening the environmental requirements has been identified during the research phase as highly relevant in this standard review. To supplement the general requirements in the generic standards, in particular HREDD related requirements currently applicable for HLOs, a set of environmental requirements is being proposed. These requirements build upon each other in order to create a logical process that is expected to enable a reduction of the environmental impact of agricultural practices, generating information for the producer that could enhance their business and attractiveness as a business partner.  **Rationale**: The implementation of this requirement is a complement to the previous proposals as it allows Producers to keep track of the different elements that constitute an environmental footprint, and to track the implementation as well as the effects of the implemented action plans.   |  |  | | --- | --- | | Applies to: Producers | | | Dev | You implement tools to monitor the environmental performance of your farms. | | Year 3 | | Guidance: The performance tool can include the following; these are examples and are not the only options:   * Geolocation of your farm * [Cool farm tool](https://coolfarm.org/the-tool/) * [Biodiversity Performance Tool (biodiversity-performance.eu)](https://bpt.biodiversity-performance.eu/) * [The Farmland Biodiversity Score](https://apps.worldagroforestry.org/downloads/Publications/PDFS/WP21038.pdf) * Tools developed by Fairtrade International   You can contact your Producer Network in the region for advice, guidance and support, examples of this are the Climate Change Adaption Plans | |   **Implications:** For the POs that decide to implement this development requirement, it will mean the usage of a new tool that will keep track of the input necessary, which could involve the training of personnel and the installation of software.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Integrated pest management **Background**: The requirement exists with a reduced scope. Its scope was only to manage the weeds on the banana fields. Now, the scope being proposed is to increase it and manage all pests and in all fruits and vegetables in order to reduce pesticide use in banana production.  **Rationale**: To improve the environmental provision in the fruit & vegetable standard, it is proposed to extend the scope of the requirement to all the producer organizations of fruits and vegetables.   |  |  | | --- | --- | | Applies to: Producers of fruit/vegetables | | | Core | If you and / or your members use pesticides in the production process, you implement the following elements of an integrated pest management approach:   * Gain knowledge of the weeds that affect the productivity of the crop and of the conditions that favour and hamper the development of the pests. * Gain knowledge of the parts of the fields where the crop is affected by the pests. * Prevention of the spreading of the pests by non-chemical means (labour, mechanical, natural traps, barriers or thermic means) * Use of alternative control techniques, mulches or cover crops in order to control and reduce the pests. * Application of pesticides focused on areas where the pests are present and affect the crop * No use of pesticides in canals, in buffer zones protecting rivers or watersheds, in protected or high conservation value areas[[1]](#footnote-1) or in buffer zones intended to protect people’s health | | Year 0 | | Guidance: It is recommended to rotate active substances and have a pesticide reduction plan. It is necessary to review the [Hazardous Material List](https://files.fairtrade.net/standards/Hazardous_Materials_List_EN.pdf) to check which pesticides can be used in Fairtrade crops. | |   **Implications:** Some producers will need to implement new practices to improve the pest management on the farms.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for SPO

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| NEW Internal management system **Background**: In order to keep control of the production and sales of conventional and Fairtrade products.  **Rationale**: The intention is to avoid double sales of products, often if the members are part of two or more organizations.   |  |  | | --- | --- | | Applies to: SPOs | | | Core | You have a system in place that monitors individual member’s production and sales, ensuring they are selling volume relative to their estimated production in a defined period of time.  The system allows you to keep track of your member’s status, particularly if they are a member of more than one organization.  You have concrete measures in place to detect cases of individual members selling more than their estimated production. | | Year 0 | | Guidance: Please note that this requirement complements the SPO Standard requirement 4.2.2 on keeping member records, as it provides more detail on what type of information is required.  SPOs are responsible for keeping track of their members’ status and, if members are also registered with another Fairtrade certified organization, measures are in place to avoid “double selling” volumes.  You give information during audits about the members who deliver fruits/vegetables to other registered organizations. If feasible, you can crosscheck sales information with other SPOs in case your members are part of other organizations.  Members’ production and sales information are embedded in SPO’s internal regulations, therefore there are measures in place in case a member is detected selling more than its estimated production volumes. | |   **Implications:** The SPO will need to set up and implement a control system to keep track of the potential production, actual production, sales and memberships of individuals members. This will reduce and avoid the unfair practice of double sales from members.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for HLO

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| Floor wages **Background:** This requirement serves as a safety net in countries where there is no national minimum wage for workers.  **Rationale:** The change is to add clarity on the reference used, and to align with proposals in the Flower and Plants standard.   |  |  | | --- | --- | | Applies to: Companies (except banana companies) | | | Core | Your company ensures that a floor wage is paid to all workers and does not fall below the global poverty line Purchasing Power Parity (PPP) set by the World Bank.  The floor wage relates only to the gross wage, therefore in-kind benefits cannot be counted.  Cash allowances issued regularly to all workers as an entitlement and allowing workers full discretion on how to spend the money without a link to the attendance or performance of workers, count towards the gross wage.  You ensure that basic wage rates are equal to or exceed the applicable floor wage.  You are not exempted from compliance if your company is represented by an employer organization that has collectively bargained a multi-company or sector agreement with basic wage rates below the floor wage.  You ensure that no benefits have been worsened/reduced after the introduction of this requirement except when formally agreed with a trade union. | | Year 0 | | Guidance: The amount in the requirement amount could increase depending on the World Bank adjustments. Please refer to the document [Calculating wages in the Fresh Fruit Standard](https://files.fairtrade.net/standards/HL_Calculating-floor-wages-in-the-Fresh-Fruit-Standard_EN.pdf) for more information on how to calculate the $ 2.15/day PPP.  A basic wage is the minimum fixed amount of money which a worker is entitled to be paid by his/her employer. It excludes the additional benefits like bonuses, allowances, or any such compensation. | |   **Implications**: It is possible that in some situations producers will need to pay additional amounts to close any gap between the basic and floor wages..   * 1. Do you agree with the proposal?   **!***Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Fairtrade Base Wage **Background**: The requirement already exists in the Fresh Fruit Standard (req. 3.1.2 of HL Fresh Fruit Standard), it provides a safety net for workers in banana plantations setting a minimum wage.  **Rationale**: To align the concepts use in the requirements 3.1.2 and 3.1.3 and the services of Fairtrade International, its been propose the changes on the concept as its definition.   |  |  | | --- | --- | | Applies to: Banana companies | | | Core | Your company ensures that no worker is paid a basic wage, lower than the Fairtrade Base Wage as defined at the level of 70 percent of the Basic Living Wage Benchmark applicable for your country or region.  You ensure that no remuneration is worsened/reduced after the introduction of this requirement except when formally agreed with a trade union that has the right to bargain. | | Year 0 |  |  | | --- | | Guidance: Fairtrade, as a member of the Global Living Wage Coalition, defines a ‘living wage’ as the remuneration received for a standard work week by a worker in a particular place sufficient for the worker and her or his family to afford a decent standard of living. Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing, and other essential needs including provision for unexpected events.  The basic wage is the wage earned by worker that is subject to taxes and statutory deductions according to local labour law. The basic wage might be earned at daily basis (usually field, harvest and packing workers) or monthly basis (usually the administrative staff). The basic wage does not consider any non-regular payments, such as 13th or 14th salaries, etc.  The Basic Fairtrade Base Wage is a floor wage introduce to make a concrete step towards a living wage. The Basic Fairtrade Base Wage is set at 70 percent of the Basic Living Wage Benchmark:  Basic Fairtrade Base Wage = 70% x basic LWB  Where:  Basic LWB = gross LWB – cash allowances – IKB  IKB = 10% net LWB  Basic Living Wages are periodically updated by Fairtrade International and available at the [Calculating wages in the Fresh Fruit Standard](https://files.fairtrade.net/standards/HL_Calculating-base-wages-bananas_EN.pdf) section.  Requirements 3.4.11, 3.5.4, 3.5.9 and all other relevant sections of the Hired Labour Standard continue to apply. |   **Implications:** It allows for a easier concept to audit wages against, so workers, Fairtrade Premium committee, certification body and company management can check if the wages are align and in compliance with the requirement.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Fairtrade Premium **Background**: The requirement already exists in the Fresh Fruit Standard (req. 3.1.3 of HL Fresh Fruit Standard), and an interpretation note was published by the end of 2023 to implement the LW strategy on Bananas.  **Rationale**: In order to align the requirement with the published interpretation note this clarification change its been proposed. To maximize the impact of the Fairtrade Premium to help close the living wage gaps in the certified plantations, it is being proposed to distribute up to 30% of the Fairtrade Premium amongst the workers earning less than the Living Wage benchmark, until they reach the Living Wage benchmark.   |  |  | | --- | --- | | Applies to: workers in banana companies | | | Core | As long as there is a gap between the Living Wage Benchmark and the lowest wage received by workers, up to 30 percent of the Fairtrade Premium is equitably disbursed amongst all workers earning below the Living Wage Benchmark (LWB) in accordance with time worked, up to the level of the Living Wage Benchmark, as a Fairtrade Bonus.  Payments are made in cash. Premium vouchers of equal value to cash disbursements can be disbursed in those origins where payment in cash is not an advantageous option. Your company demonstrates the transparency and accuracy of the payments made by the Fairtrade Premium Committee according to the rules described in this requirement.  Your company ensures that no remuneration is worsened/reduced after the introduction of this requirement except when formally agreed with elected worker representatives who have the right to negotiate. | | Year 0 | | Guidance: Only Fairtrade Premium generated from sales as of 2021 onwards are considered.  If the gap between the lowest wages and the Living Wage Benchmark can be bridged using less than 30 percent of the Fairtrade Premium, the percentage for mandatory pay-out must be reduced accordingly. Please refer to the [explanatory document for the Fairtrade Premium disbursement](https://files.fairtrade.net/standards/Requirement-3.1.3-of-the-Fresh-Fruit-for-Hired-Labour-Organizations.pdf) for an example of how the calculations might be done.  This requirement and the option to disburse 20 percent of Premium funds in cash (requirement 2.1.20 of the Hired Labour Standard) signify that workers could disburse up to 50 percent of the Premium in cash if they so choose.  Premium vouchers can be disbursed in cases where the disbursement in cash is not an advantageous option - for example, where disbursing the Premium in cash could result in significant tax payments. Premium vouchers can be used for essential needs that contribute to a decent livelihood, such as: home construction or renovation, education fees, and regular household items. The nature and frequency of disbursements should be consulted upon with local trade unions or in their absence with other elected worker representatives, to ensure that collective bargaining is not undermined.  Premium vouchers cannot be used for goods or services which companies are required to provide by law, by Fairtrade Standards or by collective bargaining agreements, or to those customarily provided by the company. Premium vouchers cannot be used for visas or work permits for migrant workers; clothing or equipment for work; dormitories or shared housing for seasonal workers; drinking water; land for kitchen gardens. | |   **Implications:** There is no implication as this has been implemented in line with the interpretation note published at the end of 2023.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Data reporting **Background**: This requirement already exists on the Fresh Fruit Standard (req. 3.1.4 of HL Fresh Fruit Standard), it has been modernized to use the producer reporting platform and to extend the scope of wage reporting to all producer organizations certified under the standard.  **Rationale**: To enable digitalized reporting of wage data to Fairtrade International, which is of strategic importance to measure the impact of the FMP, FP and FLWRP.   |  |  | | --- | --- | | Applies to: Companies | | | Core | You report wage data in the FairInsight platform (<https://fairinsight.agunity.com>). | | Year 0 | | Guidance: This data will be used to assess the living wage gaps in different products and origins, as well as salary costs in production to calculate Living Wage Reference Prices and Living Wage Differentials. | |   **Implications:** It will simplify the reporting process, as well as increase transparency on how the data its being treated and provide security on the correct level of confidentiality that this data requires for each of the certified organizations.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

## Business and Development

Requirements for both SPO & HLO

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| REMOVE Payment at EXW and FOB level **Background**: This requirement is covered in the generic Trader Standard. The important text of the guidance will be moved to an independent document that will manage the conditions of FOB and EXW payment.  **Rationale**: To simplify and reduce the number of requirements in the Fairtrade Standards, it is proposed to manage these conditions from the generic Trader Standard, as there is no special implication for the fruit trade.   |  |  | | --- | --- | | Applies to: Fairtrade payers of fruits | | | Core | You pay producers at EXW or FOB level as defined in the Fairtrade pricing database and applicable in your supply chain. | | Year 0 | | Guidance: For fresh fruits, and in contrast to the official Incoterms, EXW prices do not include any kind of packing material, unless otherwise specified in the pricing data base.  EXW prices for fresh fruit include labour costs for packing (including palletization) and preparation of the fruits for loading on the collecting vehicle (truck or container) only.  The costs for standard packing and palletization materials are covered by the exporter. However, the service related to packing (labour costs) of standard packing material is included in the EXW prices and provided by the producer. No further deductions from the EXW price are possible, even if, for example, labelling takes place in the consuming country.  FOB prices only apply to producers that export themselves. They do not apply to exporters that buy from Fairtrade producers.  At FOB level, banana prices include the costs for the following packing materials:  • one standard carton box (top, a bottom and a liner)  • one banana packing bag per carton box (banavac or polypack)  • pallets  • edge corners  • strips  • up to three labels per banana cluster  The FMP in all cases refers to 18,14 kg of ripened fruit. If boxes with different weights are used, FMP and Fairtrade Premium are calculated pro rata. For estimating the FMP and FP that would apply for packing boxes of different materials and weight presentations, Fairtrade International provides a [Prorate tool](https://files.fairtrade.net/Prorate-tool-for-banana-FMPs-and-FPs1.xlsx) and [Guidance document](https://files.fairtrade.net/EN_Explanatory-document_Prorata-tool-for-FMPs-banana.pdf). Neither the Ex Works nor the FOB prices include costs for additional or special packing materials such as “cluster bags” or “parafilm” and related services. They must be included in the contract and producers and exporters must be paid for those and any associated services (see 4.1.1 Contracts for payers).  Limes: The product form “unpacked” for limes at EXW level means that the prices do not include any kind of packing material. The definition of product form EXW for fresh fruit at this guidance also applies for limes.  The product form “packed” means that the packaging of the limes is intended to withstand transportation, handling, and arrive at the port of destination in the conditions according to the quality specifications agreed between the exporter and the importer.  At the FOB level, the “packed” lime prices include the costs for the following packing materials:  • Cardboard boxes  • EUR-pallet  • Materials for securing the Cardboard boxes in the EUR-pallet  • Label of the fruit  In case additional packing material is added to the “packed” and “unpacked” limes, the buyer and seller should calculate and add this additional cost to the price in the trade contract, and describe it in the product quality specifications. | |   **Implications:** There is no major implication for the traders or producers since this topic is already managed by a generic Trader Standard.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   REMOVE Payment responsibility of fruits for processing **Background**: The definition of the Fairtrade payer in the processing supply chains is covered in the Trader Standard Annex 1.  **Rationale**: To avoid duplicity in the standards, the roles in the supply chains are indicated in the Trader Standard Annex 1.   |  |  | | --- | --- | | Applies to: First buyers of fruits for processing (except oranges for juice) | | | Core | If you buy fruits for processing, you are the Fairtrade payer and therefore pay the Fairtrade Price and Premium on the fruits for processing. | | Year 0 | | Guidance: This means that, for example, if pineapples are sold by producers and later in the chain processed into juice, the Premium has to be calculated and paid on the fresh pineapples as sold by the producer organization. The Premium amount cannot be calculated on the juice and paid back to producers based on a conversion rate. | |   **Implications:** There are no implications since this is managed in a generic Trader standard.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Premium reporting **Background**: This requirement already exists in the Fresh Fruit standard, but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Producers of fruit/vegetables | | | Core | You send a report about Fairtrade Premium use for every new or ongoing Fairtrade Premium project to Fairtrade International. The reporting is done yearly; at the latest one month after the general assembly and includes at least the following information:   1. Report for projects in planning phase and for ongoing projects 2. Name and description of project (purpose and objectives, project partners) 3. Target group(s) (e.g. men, women, or all members of cooperatives, migrant workers, family members, community) 4. Project progress/status 5. Estimated number of beneficiaries within each target group and beneficiaries reached to date 6. Project budget (total / annual), Premium invested to date for ongoing projects 7. Project start and end date 8. Date of approval of project and record of who approved it. 9. Final report for finished projects, in addition to the information under a) above 10. Target group(s) and number of beneficiaries reached 11. Total budget spent 12. Evaluation of whether, to what extent and why the purpose and the objectives have been achieved, and what can be learned from the project 13. Date of approval of final project report and record of who approved it   You report Premium use via FairInsight online platform: <https://fairinsight.agunity.com>. | | Year 1 | | **Guidance:** This requirement complements requirements on Fairtrade Premium use reporting of the generic standards. | |   **Implications:** There is no implication for producers, as they already report the Premium use.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Payment terms at EXW level **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.4.8 and SPO 4.3.1), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Fairtrade payers fruit/vegetables (except wine grapes, pulses and oranges for juice) | | | Core | You pay the applicable price and Fairtrade Premium no later than 15 days after delivery of the product unless national legislation requires shorter payment terms. | | Year 0 | | Guidance: The time span of 15 days is set on the assumption that producers issue a correct invoice after delivery. | |   **Implications:** There is no implication. Since it is already implemented for fruits and vegetables, this is a merge of the two different requirements.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Payment terms at FOB level **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.4.9 and SPO 4.3.2), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Fairtrade payers of fruit/vegetables (except pulses and wine grapes) | | | Core | You pay the applicable price and Fairtrade Premium no later than 15 days after the release of the shipment in the port of destination. | | Year 0 | | Guidance: “After release” refers to the release of the shipment by the authorities, taking into account the time for possible security scans and other necessary operations in the port of destination. It means that the time period for payment terms only starts when the shipment is at the disposal of the importer.  The time span of 15 days is set on the assumption that producers issue a correct invoice after delivery.  Where the seller and buyer agree on shorter payment terms, this agreement must be included in the contract. | |   **Implications:** There is no implication. Since it is already implemented for fruits and vegetables, this is a merge of the two different requirements.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   NEW Payment terms in case of retro-certification **Background**: There is a requirement that allows for retro-certification but there is no indication on the payment timelines when the retro-certification is implemented.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Fairtrade payers of fruit/vegetables | | | Core | You pay the applicable price and Fairtrade Premium no later than 15 days after the change of status of the fruits/vegetables from conventional to Fairtrade. | | Year 0 | | Guidance: The time span of 15 days is set on the assumption that producers issue a correct invoice after being informed of the retro-certification.  Where the seller and buyer agree on shorter payment terms, this agreement must be included in the contract. | |   **Implications:** There is no implication. Since it is already implemented for fruits and vegetables, this is a merge of the two different requirements.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Payment flexibility **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.4.10 and SPO 4.3.3), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Fairtrade payers of fruit/vegetables | | | Core | If producers agree, you can make monthly payments (for a calendar month) at the latest 15 days after the end of the respective month. | | Year 0 | | Guidance: This can be beneficial for producers if they can thus save on transaction costs. It is at the discretion of each producer organization to evaluate this and take a decision. | |   **Implications:** There is no implication. Since it is already implemented for fruits and vegetables, this is a merge of the two different requirements.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Timely payment of FMP for oranges for juice **Background**: The provision for the purchases from Cuba was part of the Prepared and Preserve Standard. The Fresh Fruit Standard started including specific requirements for orange juices, creating an imperfect duplication of requirements.  **Rationale**: This proposal is to merge both existing requirements (FF HLO 5.4.13 and FF SPO 4.3.6 and in the P&P HLO 5.5.4 and in P&P SPO 4.3.6) from the Fresh Fruit Standard and the Prepared and Preserved Fruit Standard.   |  |  | | --- | --- | | **Applies to:** Processors/exporters of oranges for juice | | | **Core** | You pay at least the first payment based on the percentages indicated 4.2.3 to the producer no later than 30 days upon receipt of goods.  You convey the Premium and price differential (additional payment in case there is a difference between the first payment to producers and actual FOB orange juice price) to the producer no later than 15 days after receipt of payment from the Fairtrade payer.  In the case of Cuba**,** payments and Premium transfers **must never be routed via or through a US (United States) bank**. Each payment to an operator based in Cuba should state: **Fairtrade (FLO) sales**, in order to identify the money received. | | **Year 0** |   **Implications:** There is no implication as both standards are to be complied to by orange juice traders.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** Information to be included in a quality claim **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.1 and SPO 4.5.1), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly. An additional piece of information is being introduced that will also have to be provided when issuing a quality claim.   |  |  | | --- | --- | | Applies to: Traders of fruit/vegetables | | | **Core** | To submit a valid quality claim, you include the following information:   * Precise data of the shipment: at minimum the date of loading, name of ship, total Fairtrade volume (number of boxes and kilos), port of destination and, if available, container identification. * A description of quality problems including photos documenting the defect, and the extent of a specific quality defect (number of affected boxes per pallet or per container). * Evidence for the quality claim (extract of the temperature from packing up to the day ripening starts). | | **Year 0** | | Guidance: When you issue a quality claim, you have the burden of proof for the claim.  For buyers, two days after the release from the port.  For ripeners, eight days after starting the ripening process but no more than 15 days after the release from the port.  For other traders, two working days from receiving the product, but no more than 30 after the release from the port.  Quality claims that are submitted to the producer after the timelines indicated in this section may be accepted at the discretion of the producer.  It must be possible to trace quality problems back to producers. If the fruits from different producer organisations are mixed in one container, it should be possible to trace the quality problem back to individual pallets. If the whole container comes from one single producer, it can be done on a container basis only. | |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process. It will also provide more evidence to be submitted in order to accept a quality claim. This will protect producers from unfair claims.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Times to submit quality claims by importers **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.2 and SPO 4.5.2), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You submit quality claims for any quality problems that you detected yourself, within two working days after release of the fruit/vegetable at the port of destination. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**    **Times to submit quality claims by ripeners**  **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.3 and SPO 4.5.3), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly. The text added is part of the regular practice implemented by FLOCERT during their audits   |  |  | | --- | --- | | Applies to: Ripeners of fruit/vegetables | | | Core | You submit quality claims to the seller within eight working days of receipt of the product and no later than 15 calendar days after arrival of the fruit/vegetable at port of destination.  In case you also store the product, the time frame (eight working days of receipt of the product) for filing a quality claim only starts when the ripening process starts. | | Year 0 | | Guidance: Quality claims from non-certified ripeners can only be acknowledged when forwarded to the seller (exporter/producer) via the certified importer.  If the ripeners store the products, the timeframe for filing the quality claim of 15 days after arrival of the fruit at the port of destination is still in place. The timeframe that is being moved until the ripening process starts is the 8 workings days after release. | |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process. It clarifies the quality claim timeframes.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Times to submit quality claims by other traders **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.4 and SPO 4.5.4), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Traders of fruit/vegetables | | | Core | If you buy products from an importer or another trader, you submit quality claims to the seller within two working days of receipt of the product, but not later than 30 calendar days after arrival of the fruit/vegetable at the port of destination. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Transferring quality claims **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.5 and SPO 4.5.5), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Traders of fruit/vegetables | | | Core | When receiving a quality claim, you transfer it to the previous operator in the supply chain within 36 hours (excluding weekends and public holidays), unless you take responsibility for it and handle the claim yourself. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** Charging cost of quality claims **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.6 and SPO 4.5.6), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Traders of fruit/vegetables | | | Core | If producers accept the responsibility for a quality problem, you charge only the costs of the fruit/vegetable and the packing (FOB price), the cost of the transport (shipment until port of destination) and the relevant import duties already paid for the affected part of the shipment to producers. These costs must be transparently proven. The date of the loading in the country of origin must be used for the currency conversion rate. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** Arranging quality inspection in the country of destination **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.7 and SPO 4.5.7), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Seller of fruit/vegetables (producer or trader) receiving a quality claim | | | Core | Within two working days after receiving your buyer’s (or ripener’s) quality claim, you can notify the buyer (or ripener) in writing that you will arrange counter inspection by an authorised surveyor.  You pay for and contract this surveyor, unless both parties have agreed otherwise. | | Year 0 | | Guidance: If you do not react to the quality report within the specified period the buyer (or ripener) may assume that you accept the refusal of the fruit/vegetable. | |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** Facilitating quality inspection in the country of destination **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.8 and SPO 4.5.8), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Buyers of fruit/vegetables issuing a quality claim | | | Core | You (buyer and/ or ripener) facilitate the counter quality inspection no later than five calendar days after the seller receives the quality claim. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Settlement of dispute through independent surveyors **Background**: This requirement already exists in the Fresh Fruit Standard (5.5.9 and SPO 4.5.9), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Buyers, ripeners and sellers of fruit/vegetables (producers or traders) involved in quality claims | | | Core | You accept the reports of the authorised independent surveyors. | | Year 0 | | Guidance: The reports are binding to both parties and shall be the ultimate basis of settlement of any dispute over the quality of the fruit/vegetable between the seller and buyer and/ or ripener. | |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Risk sharing due to shortfalls in sales **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.10 and SPO 4.5.10), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | If part of any shipment cannot be sold as Fairtrade as a result of shortfalls in orders from your clients, you may apply “non-Fairtrade conditions” for fruit/vegetables for up to a maximum of 10% of the volume of each shipment.  You assume any financial losses related to shortfalls above this percentage. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Declassifying Fairtrade fruits/vegetables in case of shortfalls in sales and quality claims **Background**: This requirement already exists in the fresh fruit standard (HLO 5.5.11 and SPO 4.5.10), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You do not sell fruit/vegetables paid under non-Fairtrade conditions due to shortfalls in sales and quality claims as Fairtrade. You clearly mark the declassified fruit as “non-Fairtrade” on all documentation. In case you cannot remove Fairtrade references, you only use disclaimers that clearly state that the product is sold under non-Fairtrade conditions.  You do not sell the declassified fruit/vegetable to a client (e.g. retailers) dealing with Fairtrade fruits if there is a Fairtrade label on the fruit itself. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Trading with integrity in shortfalls in sales **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.12 and SPO 4.5.12), but it’s not applicable at the moment to the fresh vegetables.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | There are no indications that you use the practice of shortfalls in sales to supply a Fairtrade operator or a non-Fairtrade operator with fruit/vegetable labelled as Fairtrade but bought under non-Fairtrade conditions on a regular basis. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Informing operators of declassified Fairtrade sales **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.14 and SPO 4.5.14), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You inform all operators in the supply chain, including the producers, about declassified Fairtrade transactions due to shortfalls in sales and quality claims within six weeks after arrival of the fruit/vegetable in the port of destination. You explain the reason for the non-Fairtrade sales (quality claim or shortfalls in sales).  You get confirmation from the producer that they acknowledge the correct statement of transactions related to quality claims and shortfalls in sales, and the receipt of related payments of Fairtrade Price and Premium at least on a quarterly basis in the case of perennial fruits and at least yearly in the case of seasonal fruits. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Informing certification body of declassified Fairtrade sales **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.14 and SPO 4.5.14), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You inform the certification body of every transaction of non-Fairtrade sales that were originally ordered as Fairtrade within six weeks after arrival of the fruit/vegetable in the port of destination. In the case of quality claims, you also include the costs related to the claim that were charged back to producers. | | Year 0 |   **Implications:** There is no implication for the stakeholder certified on the present fruit standard. For the vegetable stakeholder, this will provide clarity on the quality claims process.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Retro-certification **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.15 and SPO 4.5.15), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You are allowed to retro- certify fruits/vegetables. Only unlabelled fruit/vegetable is eligible for retro-certification. You ensure that labelling of retro-certified fruit/vegetable is only done by a certified operator on behalf of the licensee. | | Year 0 |   **Implications:** There is a new timeline for payment in the cases of retro-certification. This will bring more clarity and improve transparency along the supply chain. It will also allow the vegetable supply chain to apply systemic retro-certification.   * 1. Do you agree with extending the scope to vegetables ?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Partially agree**  **Not relevant for me**  **Please explain your rationale here:**   Informing producers of retro-certification **Background**: This requirement already exists in the Fresh Fruit Standard (HLO 5.5.16 and SPO 4.5.16), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You inform producers of the retro-certified transaction within five working days.  If you are not the first buyer, you also inform the exporter of this transaction and receive a confirmation that the exporter is willing to take on the responsibility to convey the additional price and Premium for the retro-certified shipment. | | Year 0 |   **Implications:** There are no major implications for vegetables traders that use retro-certification to have a timeline to inform the producer of the retro-certification.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** Informing the certification body of retro-certification **Background**: This requirement already exists in the fresh fruit standard (HLO 5.5.17 and SPO 4.5.17), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, this requirement reconfirm this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly. There is also concern from the certification body to know before hand when the retro-certification process starts.   |  |  | | --- | --- | | Applies to: Importers of fruit/vegetables | | | Core | You inform the certification body before starting the retro-certification process. Information about the transaction includes:   * the date of purchase of the fruit/vegetable from the producer organization * transaction identification * container/shipment information, * seller and buyer identification; * the volume of fruit/vegetable being retro-certified; * the Fairtrade Premium amount due; * the Fairtrade Price adjustment (where applicable if original price paid is below applicable Fairtrade Minimum Price) * the party responsible for paying / conveying price differential and premium to the producer. | | Year 0 |   **Implications:** There is a time to inform the certification body, so they can keep track of the retro-certification process in the different supply chains. It is also necessary to extend it to vegetables importers in case the retro-certification becomes allowable for vegetables.   * 1. Do you agree with the proposal and extending the scope to vegetables?   **!***Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for SPO

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| NEW Pre-financing Fairtrade contracts **Background**: This requirement already exists in different forms in the three standards (FF 4.4.1 and 4.4.2, FV 4.4.1 and 4.2.2 and P&P 4.2.1). The scopes and applicability are different in all three versions. Due to the big changes proposed with the merge of this requirement, it is being considered as a new requirement.  **Rationale**: In order to reduce the duplicity and different pre-finance conditions, the following merge requirement is being proposed, which will be applicable to all different products covered by the standard.   |  |  | | --- | --- | | Applies to: Fairtrade payers of fruit/vegetables | | | Core | On request from the producer, the Fairtrade payer must make up to 60% of the value of the contract available as pre-finance to the producer at any time after signing the contract at least six weeks prior to shipment  For dried fruit and dried vegetables  Where contracts are left open on a seasonal basis, a quarterly schedule must be taken as a volume guide.  Pre-finance may be made available either against quarterly volumes or against the equivalent monthly volumes.  Quarterly amounts may be split into equal monthly amounts. Sixty percent (60%) of the value of the monthly volumes must be made available at least two weeks before the start of each month.  Where pre-finance is made against quarterly volumes, then 60% of the value of the quarterly volume must be made available at least two weeks before the start of each quarter.  Contract production operators should refer to the Contracts chapter A.2.3 of the Contract Production Standard. | | Year 0 | | Guidance: This requirement replaces the requirement 4.4.1 in the Trader Standard. Pre-finance can be negotiated between both parties, if requested by producers and agreed by the Fairtrade payer or another trader. Pre-finance is granted on contracts e.g. for financing field inputs, packaging material or in case of natural disasters. Advance payments which are granted on individual shipments/invoices are not considered pre-finance. | |   **Implications:** Pre-finance its being extended to general fruits. At the moment, it was only available to wine grapes. It clarifies the pre-finance conditions and terms and provides all producers of the different Fairtrade products the same conditions.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Payment to individual members **Background**: This requirement already exists in the Fresh Fruit Standard (4.2.8), but it’s not applicable at the moment to the fresh vegetables. The contracts already include the sourcing, so this requirement reconfirms this.  **Rationale**: It is important to extend the applicability of the already existing requirement for fresh fruit to the fresh vegetables market, as they function similarly.   |  |  | | --- | --- | | Applies to: Producers of fruit/vegetables | | | Core | You transfer the money for Fairtrade fruit/vegetables sales to the accounts of the members to which the sale corresponds. | | Year 0 |   **Implications:** There are no implications for producers. This just brings clarity and reduces the number of individual requirements in the standards.   * 1. Do you agree with extending the scope to vegetables?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Not relevant for me**  **Please explain your rationale here:**   REMOVE Sourcing plans for fresh vegetables including roots and tubers **Background**: In the Fairtrade Standard for Fresh Vegetables, sourcing plans are required in the requirement 4.1.1.  **Rationale**: The proposal is to remove this requirement because with the merge the sourcing plans for vegetables will be included in the contracts with traders (question 3.1 of this document).   |  |  | | --- | --- | | Applies to: Fairtrade payer and conveyors | | | Core | For fresh vegetables including roots and tubers, you provide a sourcing plan on either a seasonal or quarterly basis. Sourcing plans are renewed a minimum of two weeks before they expire. | | Year 0 |   **Implications:** It will simplify the audits for vegetables, as well as reduce the number of requirements in the standard and align the approach of sourcing plans with the fruits approach.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   REMOVE Sourcing plans for pulses **Background**: In the Fairtrade Standard for Fresh Vegetables, sourcing plans are required in the requirement 4.1.2.  **Rationale**: The proposal is to remove this requirement because with the merge the sourcing plans for vegetables will be included in the contracts with traders (question 3.1 of this document)   |  |  | | --- | --- | | Applies to: Fairtrade payer and conveyors | | | Core | For pulses, sourcing plans cover each harvest. Sourcing plans are renewed a minimum of three months before they expire. | | Year 0 |   **Implications:** It will simplify the audits for vegetables, as well as reduce the number of requirements in the standard and align the approach of sourcing plans with the fruits approach.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** REMOVE Sustaining trade **Background**: The Fairtrade Standard for Prepared and Preserved Fruit & Vegetables includes a sourcing plan requirement, 4.1.1.  **Rationale**: The proposal is to remove this requirement as with the merge the sourcing plans for prepared and preserved fruit and vegetables will be included in the contracts with traders, (question 3.1 of this document).   |  |  | | --- | --- | | Applies to: Fairtrade payer and conveyors | | | Core | For fruit juices, sourcing plans must cover each yearly production.  For dried fruit and dried vegetables, sourcing plans must cover a period agreed by both parties  Sourcing plans must be renewed a minimum of three months before they expire. | | Year 0 |   **Implications:** It will simplify the audits for vegetables, as well as reduce the number of requirements in the standard and align the approach of sourcing plans with the fruits approach.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   REMOVE For secondary products **Background**: The Fairtrade Standard for Prepared and Preserved Fruit & Vegetables requirement 4.2.7 sets the Fairtrade Minimum Price and the Fairtrade Premium.  **Rationale**: The proposal is to remove this requirement because Fairtrade Minimum Price and Fairtrade Premiums are covered via the Pricing Table.   |  |  | | --- | --- | | Applies to: Fairtrade payer | | | Core | There are no Fairtrade Minimum Prices defined for secondary products and their derivates. Sellers of the products and their next buyer must negotiate prices for secondary products and their derivates. A default Fairtrade Premium of 15% of the negotiated price must be paid in addition.  Fairtrade International reserves the right to set a Fairtrade Minimum Price for secondary products and its derivatives in the future. | | Year 0 |   **Implications:** There are no implications for the certificate holders as the prices are already indicated in the Pricing Table. This will reduce the number of requirements in the standard.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

Requirements for HLO

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| Needs assessment for migrant and seasonal workers **Background**: This requirement already exists in the Fairtrade Standard for Fresh Vegetables (2.1.1), but it’s not applicable at the moment to fresh fruits in the Latin American region.  **Rationale**: It is relevant to consider extending the applicability of the existing requirements for fresh vegetables to the fresh fruits market, as they function similarly.   |  |  | | --- | --- | | Applies to: Companies producing fruits/vegetables in Latin America and the Caribbean | | | Core | You carry out a needs assessment of the migrant and seasonal workers and how to improve their working conditions.  The needs assessment identifies and prioritizes the needs of the migrant and seasonal workers in terms of freedom from discrimination, freedom of labour, freedom of association and collective bargaining, conditions of employment, occupational health and safety as well as economic development following the respective sections of the Fairtrade Standards.  If migrant workers make up more than 25 % of the entire workforce, including seasonal employees, the needs assessment includes an assessment of the home community from which most migrant workers come. | | Year 1 | | Guidance: You are responsible to carry out a needs assessment of the home community from which most migrant workers come. The Fairtrade Premium Committee may then suggest developing Fairtrade Premium projects in this community. | |   **Implications:** This change may carry heavy financial burden to plantations as well as logistical difficulties to carry out the activities proposed. At the same time, it can increase the Premium impact for migrant workers.   * 1. Do you agree with extending the scope to fruits?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Development plan for migrant and seasonal workers **Background**: This requirement already exists in the Fairtrade Standard for Fresh Vegetables (2.1.2), but it’s not applicable at the moment to fresh fruits in the Latin American region.  **Rationale**: It is relevant to consider extending the applicability of the existing requirements for fresh vegetables to the fresh fruits market, as they function similarly   |  |  | | --- | --- | | Applies to: Companies producing fruits/vegetables in Latin America and the Caribbean | | | Core | Based on the needs assessment (requirement 2.1.1) you create and implement a development plan for migrant and seasonal workers. | | Year 1 | | Guidance: In particular, the implementation of the development plan for migrant and seasonal workers could include:  • Specific awareness raising training or tools for migrant and seasonal workers  • A plan for increasing participation of the migrant and seasonal workers in the Fairtrade Premium Committee  • Implementing a reasonable method of paying for or reimbursing migrant employees for the cost of their travel to and from their home communities. This may not be deducted from workers’ wages.  • Supporting migrant and seasonal workers in obtaining the necessary legal documents (e.g. identity cards) to benefit from social security provisions. | |   **Implications:** This change may carry heavy financial burden to plantations as well as logistical difficulties to carry out the activities proposed. At the same time, it can increase the Premium impact for migrant workers.   * 1. Do you agree with extending the scope to fruits?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   Consult Premium Committee and workers for development plan **Background**: This requirement already exists in the Fairtrade Standard for Fresh Vegetables (2.1.3), but it’s not applicable at the moment to fresh fruits in the Latin American region.  **Rationale**: It is relevant to consider extending the applicability of the existing requirements for fresh vegetables to the fresh fruits market, as they function similarly.   |  |  | | --- | --- | | Applies to: Companies producing fruits/vegetables in Latin America and the Caribbean | | | Core | You consult the Fairtrade Premium Committee and the migrant and seasonal workers during the drafting of the development plan and discuss it with the General Assembly of workers. | | Year 1 |   **Implications:** There is no implication for traders. It just brings more clarity in the vegetable supply chain.   * 1. Do you agree with extending the scope to fruits?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:**   REMOVE Sourcing plans **Background**: In the vegetables standard, the sourcing plans are required in the requirement 5.1.1.  **Rationale**: The proposal is to remove this requirement as with the merge the sourcing plans for vegetables will be included in the contracts with traders (question 3.1 of this document)   |  |  | | --- | --- | | Applies to: Fairtrade payer and conveyors | | | Core | You provide a sourcing plan on either a seasonal or quarterly basis. You renew sourcing plans a minimum of two weeks before they expire. | | Year 0 |   **Implications:** It will simplify the audits for vegetables, as well as reduce the number of requirements in the standard and align the approach of sourcing plans with the fruits approach.   * 1. Do you agree with the proposal?   **!** *Tick* ***one*** *box only*  **Agree**  **Disagree**  **Undecided**  **Not relevant for me**  **Please explain your rationale here:** |

## General comments/ feedback

In this section you are invited to provide additional feedback on any of the requirements in the Fairtrade Standard for Fruits & Vegetables or provide general comments. If you are referring to a particular requirement, please include the requirement number where possible and your comments.

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| Topic/ requirement number | Comments/ feedback |
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If you need some more information before commenting on this document do not hesitate to contact the Standard and Pricing Unit at [standards-pricing@fairtrade.net](mailto:standards-pricing@fairtrade.net)

1. See definition of High Conservation Value areas in the Fairtrade Standard for SPO section 3 for Production in biodiversity requirement number 3.2.33. [↑](#footnote-ref-1)