

Fairtrade Standard for Herbs and Herbal Teas for Hired Labour and Traders

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For further information and Standards downloads:
www.fairtrade.net/standards.html

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Introduction

How to use this Standard

Refer to the generic Standard for Hired Labour as a separate document as updated by Fairtrade International (FLO) on its website.

Please note that the Fairtrade Trade Standard also applies. In cases where the product specific Standard below differs from the Fairtrade Trade Standard, the requirements presented in this Standard apply.

Application

The Fairtrade Standard for Herbs and Herbal Teas for Hired Labour was introduced in 2012 and applies from 1 August 2012.

Monitoring of Changes

Fairtrade International reserves the right to amend Fairtrade Standards in accordance with Fairtrade International's Standard Operating Procedures (http://www.fairtrade.net/setting_the_standards.html). Requirements of Fairtrade Standards may be added, deleted, or otherwise modified. Those who have to meet Fairtrade Standards are required to monitor pending and finalized revisions on Fairtrade International's website.

Fairtrade Certification ensures the compliance with Fairtrade Standards. Revision of Fairtrade Standards may lead to a change in the requirements of Fairtrade Certification. Those who wish to be certified or have already undergone certification are required to monitor pending and finalized certification policies and compliance criteria on the certification body's website <http://www.flo-cert.net>.

Change History

Version number	Date of publication	Changes
01.08.2012_v1.0	01.08.2012	Standard was newly created based on changes in scope
01.08.2012_1.1	01.06.2014	Reorganization of requirements and terminology according to NSF and revised Hired Labour Standard v. 15.01.2014_v.1.0
01.08.2012_v1.2	14.12.2015	Change of scope allowing Hired Labour producer organizations to sell and process fresh herbs for use in essential oils.

1. General Requirements and Commitment to Fairtrade

Intent and scope

All operators taking ownership of Fairtrade certified products and/or handling the Fairtrade Price and Premium are audited and certified.

This chapter applies to the certificate holder.

This Standard covers the purchase and sale of herbs and herbal teas. For the sections under certification and traceability (only), the Standard also covers any derivatives.

The Standard also covers secondary products and their derivatives. The definition of secondary products is included in Annex 1 of the Fairtrade Trade Standard.

A non-exhaustive list of products fitting the secondary products definition is published on the Fairtrade International website.

1.1 Certification

There are no additional requirements.

1.2 Labelling and Packaging

There are no additional requirements.

1.3 Product Description

The Fairtrade Standard for Herbs and Herbal Teas for Hired Labour applies to all herbal products indicated in the Fairtrade Herbs and Spices list as "HL and SPO" and to all countries inside Fairtrade's geographical scope. It does not apply to spices. Spices are indicated as "SPO only" in the Fairtrade Herbs and Spices list.

Hired Labour companies are allowed to produce and sell fresh and dried herbal products as Fairtrade. Fresh herbs are only allowed for culinary purposes and for processing into essential oils. Dried herbs are only allowable for tea products.

Herbs consist of leaves, flowers, stems and roots from a variety of herbaceous plants. They include, for example: lemon verbena, dill, water mint, lemongrass, orange leaves, camomile, lemon balm, peppermint, borage, basil, celery, oregano, parsley, rosemary and thyme.

Herbs are used either in fresh or dried form, mainly to flavour foods but also for other food and non-food applications. **If a product is also covered by another Fairtrade product Standard, the respective Standard applies and the product cannot be certified as an herb.**

For the *camelia sinensis* plant please refer to the Fairtrade Tea Standard.

A non-exhaustive list of herbs and spices, the Fairtrade Herbs and Spices list, is published on the Fairtrade International website. The products fitting the above definition of herbs are marked as "HL and SPO" in the list.

1.4 Other product requirements

There are no additional requirements.

2. Social Development

There are no additional requirements.

3. Labour Conditions

There are no additional requirements.

4. Environmental Development

There are no additional requirements.

5. Trade

Intent and scope

This chapter outlines the requirements that you need to comply with when you sell Fairtrade products.

5.1 Traceability

The following requirement applies to dried herbs only.

5.1.1 Operators who sell dried herbs grown by Hired Labour companies must clearly mark the product as “eligible for tea products only”. Buyers and sellers of products marked as “eligible for tea products only” must only use these herbs in tea products.

This requirement does not apply if there is clear evidence that the operator only sells dried herbs for tea products.

The following requirement applies to dried herbs only.

5.1.2 Buyers and sellers must physically separate dried herbs grown by Hired Labour companies, which are only eligible for tea products, from dried herbs for other purposes at all stages of the supply chain.

This requirement does not apply if there is clear evidence that the operator only sells dried herbs for tea products.

5.2 Sourcing

5.2.1 Sourcing plans must cover each harvest. Sourcing plans must be renewed a minimum of three months before they expire.

5.3 Contracts

The following requirement applies to dried herbs only.

5.3.1 If an operator sells or buys dried herbs grown by Hired Labour companies, the purchase contracts for these herbs must clearly indicate that the product is only eligible for tea products.

5.4 Pre-finance

5.4.1 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. The pre-finance must be made available at least six weeks prior to shipment.

5.5 Pricing and Payment Terms

Fairtrade Minimum Prices and Fairtrade Premium levels for Fairtrade products are published separately to the product Standards.

5.5.1 Where it exists, the Fairtrade Minimum Price is the Minimum Price to be paid to the seller by the buyer. In case the market price is above the Fairtrade Minimum Price, the market price prevails.

5.5.2 Where no Fairtrade Minimum Price exists, the price paid to the producer is a negotiated price

between the seller and the buyer. The negotiated price should take into account product quality and the costs of sustainable production and of processing.

5.5.3 On top of the negotiated price, Fairtrade Minimum Price or market price, a Fairtrade Premium must be paid based on the negotiated price between the seller and the buyer.

5.5.4 For products in the Fairtrade Herbs and Spices List without a fixed Fairtrade Minimum Price or fixed Fairtrade Premium, the Fairtrade Premium is set globally at 15% of the commercial price. Fairtrade International reserves the right to set Fairtrade Minimum Prices for Herbs and Herbal Teas in the future.

5.5.5 For secondary products: There are no Fairtrade Minimum Prices defined for secondary products and their derivatives. Sellers of the product and its next buyers must negotiate prices for secondary products and their derivatives. 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 Prices for secondary products and its derivatives in the future.

5.5.6 For purchases made at farm gate or ex works levels, payment must be made upon receipt of the product.

For purchases made at FOB level, payment shall be **net cash** against a full set of documents on first presentation. The documents to be presented will be those stipulated in the contract and customary in the herb and herbal tea trade.

5.5.7 For contracts involving Fairtrade payers and producers, payment must be made according to international customary conditions, and no later than 15 days after the receipt of the documents transferring ownership.

Note: The English version of the standard is the official version. Fairtrade offers translations into other languages for information purposes only. Although Fairtrade strives to ensure accuracy in translations, the English version of the standard is the basis for all certification decisions, particularly if conflicts on these decisions should arise.