

To: Certified small-scale producer

organizations and traders

Fairtrade members

cc: Standards Committee

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# Changes to the Standard for Small-scale producer organizations (SPO)

Dear partners,

We would like to inform you about changes to the Standard for Small-scale Producer Organizations, concerning the definition of a small-scale producer, and the number of workers as of when additional labour requirements apply.

## 1. Changes to Fairtrade's definition of a small-scale producer organization

This covers what requirements a producer organization has to fulfil to be classed as a small-scale producer organization and what requirements an individual SPO member has to meet to be classed as a small-scale farmer under our Standards.

The changes have been introduced to take country and product realities into account while also preserving the intention of the standard.

The main changes are:

#### Volumes to be sourced from small-scale farmer members

At least 50% of the volume which an SPO sells on Fairtrade terms must come from its small-scale farmer members (instead of 66% as decided in the last SPO revision).

There is no change regarding the membership: at least 66% of the SPO's members must be small-scale producers.

## **Updated SPO indicators**

For more labour intensive products, members of SPOs are allowed to hire permanent workers on a continuous basis, to support the farm work of the members and their families.

The SPO indicators show what conditions these members must meet in order to still be classed as small-scale farmers.

These have been updated or confirmed as follows:

- The individual SPO indicator for vegetables and tea is confirmed at 5 hectares for all organizations
- The individual SPO indicator for fruits is set at 10 hectares for all organizations
- The individual SPO indicator for cane sugar is confirmed at 10 hectares for all organizations
- The individual SPO land size indicator for citrus and avocadoes from Brazil is confirmed at 4
  fiscal units and 2 permanent workers per member. The maximum land size for citrus and
  avocadoes from Brazil is set at 200 hectares.



- For the exceptions on the maximum land size for wine grapes, a ceiling of 100 hectares per member is introduced and only 15% of the members per organization are eligible for this exception.
- Exceptions on the maximum land size for cane sugar in Belize, Fiji, Mauritius and Paraguay
  are possible. Exceptions are limited to 100 hectares per member and 15% of all members of
  one organization.
- In Mauritius, members who have less than 10 hectares of sugar fields are exempted from the requirement to work on their land if the economic benefits are not enough and members have additional regular jobs outside of sugar farming. In these cases, it is possible that solely hired workers carry out the work on the sugar fields.

### 2. Number of workers as of when additional labour requirements apply

Additional labour requirements apply to organizations and members who employ 10 or more workers (who work for more than 30 hours per week for one month or more in a year). The change to the Standard clarifies that the threshold also applies for an equivalent number of hours (e.g. if a member employs 20 workers for more than 15 hours per week).

The changes are reflected in:

- The SPO Standard
- The product standards for fresh fruit; prepared and preserved fruit and cane sugar
- The revised version of the SPO indicators for farms size and average number of workers
- A new interpretation on the SPO Standard for cane sugar producers in Mauritius

The revised standard requirements and indicators are valid as of date of publication (10 June 2020). The certification body will start auditing against the revised requirements and indicators from 1 July 2020 onwards. The transition period for previously introduced changes to the SPO Standard in the 2019 review are indicated in the standard document and remain valid.

The new standard is available in English, Spanish, French and Portuguese on our website under <a href="https://www.fairtrade.net/standards.html">www.fairtrade.net/standards.html</a>. Please also see the attached main changes document for a full overview of the changes and the relevant section of the standard.

In the coming weeks, the explanatory document for the whole SPO Standard will also be available on our website.

For further details and background on the decision, please refer to the minutes of the Standards Committee meetings in November 2019 and March 2020, available on our website under <a href="https://www.fairtrade.net/standard/how-we-set-standards">https://www.fairtrade.net/standard/how-we-set-standards</a>.

For more information, please contact Maria Steenpass at: m.steenpass@fairtrade.net.

Best regards,

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