

FAIRTRADE INTERNATIONAL - STANDARDS & PRICING

Project Assignment

Phase 2- Review of the Fairtrade Standard for Flowers and Plants (16.05.23)

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

Rationale for and justification of need for the project:

The first phase of the review of the Fairtrade Standard for Flowers and Plants was finalised in November 2023. The second phase of the review will focus on "progress towards living wage". The review is also an opportunity to adapt and to ensure that the standard is in line with the Fairtrade global strategy 2021-2025 and contributes to its achievement. The strategy places great emphasis on empowered farmers and workers, growth and innovation, advocacy and digitalisation.

Risk assessment:

The following risks could affect the success of the project:

Low participation in the consultation process

Mitigation: Work hand in hand with Producer Networks and NFOs to motivate participation of certified traders and producers as well as other actors in the flower/ plant value chain. The cases in which the presence of Fairtrade is under development, the local NFOs could play a key role in communication, liaising directly with stakeholders and engaging them in the project.

Stakeholders with different degrees of engagement with Fairtrade flowers/ plants may expect
that their input will lead to a specific standard revision or outcome, while not all suggested
proposals for revisions from stakeholders are relevant in a global context.

Mitigation: Stakeholders will be provided with a synopsis of all input received in the most transparent way possible, so they can understand how all input is weighed and solutions are devised for the best possible outcome for the flower and plant standard. The input received from stakeholders with limited engagement with Fairtrade should not undermine the input from stakeholders actively engaged in the Fairtrade system (traders, producers, PNs and NFOs).

 Certain countries may be disadvantaged commercially by the proposals and some growers decide to leave Fairtrade.

Mitigation: The process needs to be consultative and engaging to ensure progress is made by all countries



FAIRTRADE INTERNATIONAL - STANDARDS & PRICING

• The price gap at point of sale between Fairtrade and non-Fairtrade flowers may increase and consumers decide to purchase cheaper (non-Fairtrade) flowers. The process needs to consider the impact on sales of Fairtrade flowers compared with those which are not Fairtrade.

Mitigation: Alternative marketing approaches will be examined to achieve the objective of improved wages which work in the marketplace whilst achieving the objective. This project will take note of other industry initiatives in this area.

| Project Start Event: | Project Start Date: |
|--|---------------------|
| Publication of the project assignment for feedback | April 2023 |
| Project End Event: | Project End Date: |
| Publication of revised Flower Standard | September 2024 |

Project Goal and Objectives:

Goal: Improve the Fairtrade Standard for flowers and plants so that it contributes to a greater sustainability of flowers and plants and trade, fairer trade practices and sustainable livelihoods for flower workers and their families.

Objectives:

- 1. Review and analyse how "progress towards living wages" is best applied to Fairtrade flowers and plants
- 2. Consider how contribution from the supply chain (Traders and Retailers) and Fairtrade Premium could support in closing the gap towards living wage.
- 3. Seek solutions from stakeholders to try to achieve consensus on progress towards living wage
- 4. Improve wages for workers in Fairtrade farms
- 5. Alignment with the Fairtrade Living Wage strategy
- 6. Improve standard language for better clarity and simplicity
- 7. Develop final proposals for the Flower standard for approval by Standards Committee

Connection with Theory of Change (ToC):

This project contributes to the goals of Fairtrade International which is to make trade fair, empower workers and foster sustainable livelihoods. For more information on Fairtrade's ToC see this <u>link</u>.



FAIRTRADE INTERNATIONAL – STANDARDS & PRICING

| Project scope: | Out of scope: |
|---|--|
| This project covers all regions where the Fairtrade Standard for Flowers and Plants apply. The Fairtrade Standard for flowers and plants is complementary to the Fairtrade Standard for hired labour organizations (Fairtrade Standard for HL), and the standard for traders (Trader Standard). So, it applies to both producers and traders. For more information on Fairtrade Standards click this link. | |
| Project timelines and information on opportunities to contribute: Scoping: April 2023 Research: April 2023 – April 2024 Consultation *: June 2024 Drafting proposal to SC: August 2024 SC decision: Sept 2024 Standard publication and timelines for implementation: Oct 2024 * More information will be provided closer to the consultation period on our website. If you are identified as key stakeholders, you will receive an invitation to participate. | Decision making process: The final decision will be taken by the Standards Committee (SC), a body made up of stakeholder representatives. The SC will aim at making a decision based on consensus. They may reword the final proposal if needed to reach consensus. If consensus cannot be reached, the SC will resort to voting. |
| Project Owner (Unit): Eleonora Gutwein, Head of Standards e.gutwein@fairtrade.net | Project Manager (contact point for the project): Jebet Yegon, Standards & Pricing i.yegon@fairtrade.net |
| Project Team (Unit): Standards Jebet Yegon | Project Environment (stakeholder groups not part of the project team): |
| Team Pricing Team Karina Pena FLOCERT Kim Penwill | Flower Working Group Workers' Rights advisory Committee (WRAC) |



FAIRTRADE INTERNATIONAL – STANDARDS & PRICING

| PNs Fairtrade Africa: Michael Kitetu CLAC: Elizabeth Torres Flores, Maria Trinidad | |
|---|--|
| FI Wilbert Flinterman- Senior Advisor Workers' Rights and Trade Union Relations Melanie Durr- GPM Flowers Monique Peters-Jong- Flower Manager | |
| NFO Katharina Schwab- Senior Supply Chain Manager Fairtrade DE | |
| External consultant lan Finlayson | |