

Fairtrade Standard for Vegetables

Applies to: Small producer organizations, contract production for rotational crops 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

The Fairtrade Standard for Vegetables covers the requirements which are specific to vegetables producers and traders.

Fairtrade vegetable producers must comply with the Fairtrade Standard for Small Producer Organizations or the Fairtrade Standard for Contract Production (for rotational crops) and the Fairtrade Standard for Vegetables. For producers this standard complements, and should be read together with, the Fairtrade Standard for Small Producer Organizations or the Fairtrade Standard for Contract Production.

Fairtrade vegetables traders must comply with both the Fairtrade Trader Standard and Fairtrade Standard for Vegetables. For traders this standard complements, and should be read together with, the Fairtrade Trader Standard.

In cases where this standard differs from the Fairtrade Standard for Small Producer Organizations, Contract Production or the Fairtrade Trader Standard on the same topic, the requirements presented in this standard apply.

Product description

Fairtrade Vegetables include all varieties of fresh vegetables, edible roots and tubers and pulses for which Fairtrade Prices exist.

Price and Fairtrade Premium

Fairtrade Minimum Prices and Premiums for vegetables are listed in <u>the pricing database</u>, which is published on the Fairtrade website.

There are no Fairtrade Minimum Prices defined for secondary products and their derivatives. The prices of these products, from any origin, are negotiated between sellers and next buyers. A default Fairtrade Premium of 15% of the negotiated price must be paid in addition.

Chapters

The Fairtrade Standard for Vegetables has four chapters: General Requirements, Trade, Production and Business and Development.

Structure

In each chapter and section of the standard you will find:

- The **intent** which introduces and describes the objective and defines the scope of application of that chapter or section;
- The **requirements** which specify the rules that you must adhere to. You will be audited according to these requirements; and
- The guidance provided to help you to interpret the requirements. The guidance offers best practices, suggestions and examples of how to comply with the requirement. It also gives you further explanation on the requirement with the rationale and/or intention behind the requirement. You will not be audited against guidance.

Requirements

In this standard you will find one type of requirement:

• **Core requirements** which reflect Fairtrade principles and must be complied with. These are indicated with the term 'Core' found in the column on the left throughout the standard.

Scope

This standard applies to all Fairtrade vegetable producers and all companies that buy and sell Fairtrade vegetables. All operators taking ownership of Fairtrade certified products and/or handling the Price and Fairtrade Premium are audited and certified.

Different requirements apply to different companies depending on their role in the supply chain. You can find if a requirement is applicable to you in the column "**Applies to**".

Application

This version of the Fairtrade Standard for Vegetables was published on 19 August 2016 and is applicable from 1 November 2016. This version supersedes all previous versions and includes new and changed requirements. New requirements are identified in this standard by the word "NEW".

Definitions

Pre-finance means to provide finance against contracts in advance of delivery or receipt of the product.

Producer means any entity that has been certified under the Fairtrade Standard for Small Producer Organizations. Individual producers are the members of those organizations.

For a comprehensive list of definitions see the Fairtrade Trader Standard.

Monitoring of changes

Fairtrade International may change Fairtrade standards as explained in Fairtrade International's Standard Operating Procedures, see www.fairtrade.net/standards/setting-the-standards.html. Fairtrade Standard requirements can be added, deleted, or changed. If you are Fairtrade certified, you are required to check the Fairtrade International website regularly for changes to the standards.

Fairtrade certification ensures that you comply with Fairtrade Standards. Changes to Fairtrade Standards may change the requirements of Fairtrade certification. If you wish to be or are already Fairtrade certified, you are required to check the compliance criteria and certification policies on the certification body's website regularly at www.flo-cert.net.

Change history

Version number	Date of publication	Changes
01.05.2011_V1.0	01.05.2011	 Reorganization of requirements based on New Standards Framework Changes based on new product classification
01.05.2011_V1.1	01.09.2012	Minor change in payment termsInclusion of change history



01.09.2016_v1.0	19.08.2016	Full standard review: Inclusion of pre-finance requirements for fresh vegetables requirement on pre-finance for pulses reworded product description reworded inclusion of definitions section
		reorganization of requirements, alignment with Trader Standard, and new standards design
01.09.2016_v1.1	1.12.2016	Inclusion of rotational crops under contract production.



1. General Requirements

There are no additional requirements.

2. Trade

Intent: This chapter outlines the requirements that producers and traders need to comply with when selling and buying Fairtrade products.

2.1 Contracts

2.1.1 Contracts

Applies to: Fairtrade payer

Core

Year 0

For fresh vegetables and roots and tubers, in addition to requirement 4.1.2 of the Fairtrade Trader Standard, you ensure that purchase contracts with the producers include 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)
- Reference to sourcing plans
- Description of how the system of orders will function
- Description of the liability of each party and the quality check procedure

For pulses, there are no additional requirements.

3. Production

There are no additional requirements.



4. Business and Development

Intent: To ensure that Fairtrade transactions are carried out under transparent and fair conditions, in a way that lays the foundations for producer empowerment and development.

4.1 Sustaining Trade

4.1.1 Sourcing plans for fresh vegetables including roots and tubers

Applies to: Fairtrade payer and conveyor		
Core	For fresh vegetables including roots and tubers, you provide a sourcing plan on either a	
Year 0	seasonal or quarterly basis. Sourcing plans are renewed a minimum of two weeks before they expire.	

4.1.2 Sourcing plans for pulses

Applies	Applies to: Fairtrade payer and conveyor	
Core	For pulses, sourcing plans cover each harvest. Sourcing plans are renewed a minimum of	
Year 0	three months before they expire.	

4.2 Access to finance

4.2.1 Pre-finance for pulses

For pulses from Small producer organizations, you, provide at least 60% of the value of
the contract as pre-finance to the producer or facilitate that this is done via a third party at any time after signing the contract and at least six weeks prior to shipment.
tl

Guidance: Fairtrade encourages first buyers to provide/facilitate pre-finance as soon as possible after signing the contract. For products from Contract production please refer to the Fairtrade Standard for Contract Production on pre-finance.

4.2.2 NEW Pre-finance for fresh vegetables including roots and tubers

Applies to: First buyers that provide pre-finance

Applies	Applies to: First buyers that provide pre-finance		
Core	For fresh vegetables including roots and tubers from Small producer organizations,		
Year 0	you provide at least 40% of the value of the contract as pre-finance to the producer or facilitate this is done via a third party at any time after signing the contract and at least six weeks prior to shipment.		
Guidance: Fairtrade encourages first buyers to provide/facilitate pre-finance as soon as possible after signing the contract. For products from Contract production please refer to the Fairtrade Standard for Contract Production on pre-finance.			



4.3 Pricing and payment terms

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

4.3.1 Payment terms for fresh vegetables including roots and tubers, FOB level

Applie	pplies to: Fairtrade payers	
Core	3	
Year 0	accepted by the importer after inspection in the port of destination, you pay the producer (or the conveyor, if applicable) within seven days of the arrival of the shipment at the destination.	
	OR	
	You pay according to the international customary conditions and no later than 15 days after the receipt of the documents transferring ownership.	
	You agree with the producer (or the conveyor, if applicable) which of these payment terms apply and include this in the contract (see requirement 2.1.1).	

4.3.2 Payment terms for fresh vegetables including roots and tubers, EXW level

	Applies to: Fairtrade payers		
		For purchases made at ex works level, you pay the producer within seven days after	
Year 0	delivery of the product.		

4.3.3 Payment terms for pulses

Applies	to: Fairtrade payers
Core	For pulses, you pay the producer upon receipt of the product.
Year 0	



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.

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