

Fairtrade Standard for Prepared and Preserved Fruit 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 Standard for Hired Labour as a separate document as updated by Fairtrade International (FI) on its website.

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

Application

The Fairtrade Product Standards for Hired Labour have been revised according to the New Product Classification (based on the Central Product Classification). The new standards apply from 1 September 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
01.05.2011_v1.0	01.05.2011	New Standard Framework formatting
01.05.2011_v1.1	22.03.2012	Minor changes in scope
01.05.2011_v1.2	01.08.2012	- Deletion of temporary product compensation requirements for orange juice
01.05.2011_v1.3	01.09.2012	- Reorganization of requirements according to New Standards Framework - Inclusion of change history
01.05.2011_v1.4	01.06.2014	- Updated reorganization of requirements and terminology according to NSF and revised Hired Labour Standard v. 15.01.2014_v.1.0

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 all non-dried prepared and preserved fruits, dried bananas from all regions, dried pineapple, dried papaya and dried mango from Ghana and dried mango, dried apples dried plums, dried pears, dried persimmons, dried apricots and dried peaches from South Africa, only. For the products listed for which Fairtrade Minimum prices do not exist, producers may submit a price request. For the sections under certification and traceability (only), the Standard also covers any derivatives.

The Standard also covers its 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

Specific country rule Brazil

Since July 1st 2006 the access to Fairtrade certification has been limited for Hired Labour situations in Brazil producing fruit for fruit juices with the following criteria:

- Limitation of the size of land to 4 módulos fiscais (see table below) and
- The owner and/or family members is/are directly involved in the management of the applying unit
- The owner lives on the applying unit or nearby.

State	1 most common módulo (has)	4 módulos (has) = limit of access
Norte (North)		
Rondônia	60	240
Acre	100	400
Amazonas	100	400
Roraima	80	320
Pará	70	280
Amapá	70	280
Tocantins	80	320
Sul (South)		
Rio grande do sul	20	80
Santa Catarina	20	80
Paraná	18	72
Nordeste (Northeast)		
Maranhão	75	300
Piauí	70	280
Ceará	55	220
Rio grande do norte	35	140
Paraíba	55	220
Pernambuco	14	56
Alagoas	16	64
Sergipe	70	280

Bahia	65	260
Sudeste (Southeast)		
Minas Gerais	30	120
Espírito Santo	20	80
Rio de Janeiro	10	40
São Paulo	16	64
Centro Oeste (Midwest)		
Mato Grosso do Sul	45	180
Mato Grosso	80	320
Goiás	30	120
Distrito Federal	5	20

1.2 Labelling and Packaging

There are no additional requirements.

1.3 Product Description

This Standard includes all types of prepared and preserved fruits for which Fairtrade Prices exist. For traders, it also includes fruits which have been processed in the supply chain that were originally certified under the Fresh Fruit Standard.

1.4 Other product requirements

There are no additional requirements.

2. Social Development

There are no additional requirements.

3. Labour Conditions

3.1 Applies to bananas only: The company must make efforts to find alternative employment for those workers who are at risk of losing their work because of the use of herbicides. The efforts and the results must be documented.

4. Environmental Development

4.1 Applies to bananas only: The company using herbicides in the production process must implement the following elements of an integrated weed management approach:

- Knowledge of the weeds that affect the productivity of the crop and of the conditions that favour and hamper the development of the weeds.
- Knowledge of the parts of the fields where the crop is affected by the weeds.
- Prevention of the spreading of the weeds by non-chemical means (labour, mechanical or thermic means)
- Use of alternative control techniques, mulches or cover crops in order to control and reduce the weeds.
- Application of herbicides must be focused on areas where the weeds are present and affects the crop.

- No use of herbicides in canals, in buffer zones protecting rivers or watersheds, in protected areas or areas with high conservation value or in buffer zones intended to protect people's health.

Guidance: It is recommended to rotate active substances.

5. Trade

Intent and scope

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

5.1 Traceability

For **fruit juice**, all applicable requirements regarding traceability and mass balance are included in the Fairtrade Trade Standard.

5.2 Sourcing

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

5.2.2 For **dried bananas only**, sourcing plans must cover a period agreed by both parties.

5.2.3 For **fruit juice only**, sourcing plans must cover each yearly production.

5.3 Contracts

5.3.1 For **dried bananas only**, contracts between producers and buyers must 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
- Quality specifications of the product
- Specific Fairtrade Price and Premium for each product
- Payment conditions for Fairtrade Price and Premium
- Terms of delivery using Inco Terms
- 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
- Definition or mentioning of "Force Majeure"
- Description of mechanisms for dispute resolution
- Description of pre-finance mechanisms

5.3.2 For **fruit juices only**: In case of FCA contracts the Price for transport and handling to the port of destination must be detailed separately.

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 For dried bananas only: The Fairtrade Prices for dried bananas are based on costs of production of fresh fruit, the conversion rate (i.e. how many kgs of fresh bananas it takes to make 1 kg of dried fruit), the cost of processing and in case of FOB Prices, costs of exporting.

5.5.2 For dried bananas only: If the dried bananas are accepted by the Fairtrade payer after inspection in the port of destination, payment must be made within seven days of the arrival of the shipment at the destination.

5.5.3 For fruit juice only: 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 fruit juice trade.

5.5.4 For fruit juice only: For contracts involving Fairtrade payers and producers, payment must be made according to the international customary conditions, and no later than 30 days after the receipt of the documents transferring ownership.

For contracts involving Fairtrade payers, producers and conveyors, conveyors must pay producers no later than 30 days after receipt of the 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 (FI) sales**, in order to identify the money received.

5.5.5 For secondary products only: 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 Fairtrade Minimum Prices for secondary products and its derivatives in the future.