



Fairtrade America Operator Reporting & Product Approval Policy

Current Version: V2
Supersedes: V1
September 2020

Change History

Version	Author/Revisor for Approval	Date Approved	Changes Made
V1	Stefanie Kruglik/Bryan Lew	June 2016	N/A
V2.1	Naledi Sekgapane/Bryan Lew	September 2020	

Background

Fairtrade America requires all Fairtrade Operators with an active license contract to report quarterly sales of all Fairtrade products to Fairtrade America. Data collected from quarterly sales reports will be used to calculate quarterly license fees, as outlined in Appendix 4 of the license contract, as well as for the aggregation of key performance indicators. Fairtrade America will conduct quarterly analysis of the data collected and share Fairtrade market trends with Fairtrade Operators and Partners.

Purpose

The purpose of this policy is to outline the reporting requirements for all Fairtrade America Operators selling products with the Fairtrade Mark.

Scope

All Fairtrade America businesses with active license agreements using the Fairtrade Mark on approved products are required to report quarterly volumes, as well as sales figures (if applicable for license fees) to Fairtrade America as outlined in Section 5 of the Fairtrade America licensing contract.

Reporting Requirements

Fairtrade America Operators are required to report all sales for which license fees are due, including sales to sub-licensees. The following reporting requirements for each approved Fairtrade product are as follow:

- Country of sale
- Units sold/volume
- Wholesale value (if applicable for license fee calculation)

Reporting of Fairtrade sales must be done on a product-by-product basis. Exceptions may be granted for small operators dealing mainly with bulk out-of-home sales, who can report Fairtrade sales as a single total for each product category and country of sale.

Sales on which license fees are due are those for which Fairtrade claims are made. This includes all products bearing the FAIRTRADE Mark, and products sold without packaging (including in the out-of-home sector) which are identified as Fairtrade Certified.

Submitting Reports to Fairtrade America

Fairtrade America Operators are required to submit sales reports to Fairtrade America 30 days after the close of the quarter. Failure to report may results in de-licensing. Fairtrade America will email reminders for reporting at the end of the quarter. The quarterly reporting schedule is as follows:

Quarter	Period	Reporting Due Date
Q1	January 1 st – March 31 st	April 30 th
Q2	April 1 st – June 30 th	July 31 st
1	July 1 st – September 31 st	October 31 st
Q4	October 1 st – December 31 st	January 31 st

- Sales are reported on a per SKU basis.
- Sales reports are submitted to Fairtrade America through our online reporting system CONNECT, or by Excel spreadsheet in a format to be defined by Fairtrade America

Note: If license fees are not paid within 30 days of receipt of the invoice, we charge a late fee of \$100. Failure to make payments will result in a notice of suspension and delicensing if not addressed.

Product Approval Policy

Before printing any product, packaging bearing the FAIRTRADE Mark the product must be approved by Fairtrade America.

All product approvals are done through the online Fairtrade Product Registration system CONNECT, which covers the following areas:

- References: Name, organic status, product identification number et al.
- Recipe: Ingredient percentages and application for exceptions
- Packaging: Artwork approvals, pack size
- Licensing: Countries sold to and launch date

We are committed to a 2-3 working day turnaround for artwork approvals submitted in CONNECT. CONNECT is also used for quarterly reports of finished products (see REPORTING above.)

Failure to get Prior Approval of Product

- If you fail to get prior approval of your Fairtrade product you must apply for retroactive product approval and pay the retroactive licensing fees.
- If there is a non-conformity in your retroactive product approval application, then you must also apply for an exception.
- There is no guarantee that your request for an exception will be approved and potentially you could be asked to change the artwork or in egregious cases remove the product from the market.

Exceptions

Fairtrade America follows the criteria for granting exceptions as set out in the Fairtrade Trader Standard (e.g. unavailable ingredients section 2.2.4) and the Fairtrade International Exceptions Policy (see section 5).