

# FAIR TRADE SUSTAINABILITY ALLIANCE

(FairTSA)

## DOMESTIC FAIR TRADE STANDARDS FOR THE PRODUCTION OF AGRICULTURAL PRODUCTS AND PROCESSED FOODS

Date: June 1, 2011

Version: 1.00 (USA)

<b>FairTSA</b>	<b>DOMESTIC STANDARD FOR INSPECTION AND CERTIFICATION</b>	<b>CODE:</b>	Domestic Standard USA 100-06012011
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## 0. Introduction

### 0.1. Why Domestic Fair Trade?

While the reasons for North-South Fair Trade seem obvious, they deserve more explanation when it comes to domestic Fair Trade. In the last decades, small and medium-sized farms have become less profitable despite the hard physical work and oftentimes grueling work schedule; farm workers often earn less and work and live under conditions that few other workers would be willing to put up with, and rural communities are left in the dust when it comes to quality of life, appropriately paying jobs and a decent cultural life. The consequence: many people, especially the young, leave rural communities, in many cases slowly converting them ghost towns. In reality, the similarities between rural communities in the South and the North are striking: people leaving the land and searching for a better way of life in the big cities.

There is hope, though, as in the last years the movement to eat local and regional food and to support local economies has grown ever stronger. FairTSA's intention with this Domestic Fair Trade Program is to be a strong and inspiring partner in this movement.

### 0.2 Standard Overview

As far as this standard itself is concerned, we employed the same principles that are embodied in our international FT standard: it is intelligible and transparent, defines strict and meaningful conditions to give buyers as well as consumer's confidence in products that bear the FairTSA logo. Furthermore, we use the same strict separation of standard holder and inspection and certification which we had already incorporated in the international FairTSA standard.

In analogy to our international approach to Fair Trade, we have laid down conditions for fair wages, protection of workers, and occupational health and safety requirements, ecologic sustainability goals, the prohibition of especially damaging pesticides and minimizing pesticide use in general, and the protection of valuable biotopes and endangered species. By fulfilling those conditions, a FairTSA certified producer can sell all certified commodities accompanied by the FairTSA certificate to demonstrate the operation's social responsibility. In order to sell the commodities as Fair Trade goods with the corresponding identification on the packaging and sales documentation, the defined conditions for Fair Trade have to be met, i.e. the Fair Trade price premium, Social Premium and existing licensing agreement.

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Our Fair Trade program is set up to make inspection and certification as smooth as possible. Our policy is to work with existing certifications to the extent feasible, conduct a GAP analysis if necessary and request only those requirements of the standard to be inspected and fulfilled by the operation that are not covered by the existing certifications or audits.

### 0.2.1 General Requirements

The FairTSA General Requirements are based on the ISO Guides 65 and 62 (for group certification), with slight changes and amendments for FairTSA's purposes. This includes a detailed description of the inspection and certification process, the appeals process, as well as educational and training requirements. It also contains provisions on internal audits, the advisory board, and numerous other provisions.

### 0.2.2 Agricultural Products Standard

The FairTSA Standard for Agricultural Food Products provides requirements for all conceivable legal structures of operations; therefore any type of operation can apply for FairTSA certification as long as it complies with the requirements of the respective standard. If there are provisions that are specifically valid for only one sub-group of producers, for example a cooperative, the relating section(s) including the heading(s) is/are clearly worded to identify that fact.

Specific social, economic, labor, occupational health and environmental requirements of the standard including related progress goals are addressed, and progress goals were included so as to lower the initial threshold for less well-developed operations into the Fair Trade process and enable them to improve the democratic, social, economic and labor aspects of their organization or farm - the very goal the FairTSA Fair Trade standard was incepted for in the first place. However, in order to comply with ISO 65 accreditation criteria, these goals are specific and measurable. Also, FairTSA unmistakably conveys to its clients that these goals are non-negotiable: in a worst-case scenario non-compliance with progress goals can result in revocation of the FairTSA Fair Trade certification.

One last word in this matter: we are strongly convinced that the application of genetically modified organisms does not improve the lot of the farmers and carries numerous ecological, social, and economic risks. Therefore, their use is prohibited under our standard. However, we fully understand that cross-contamination and other pollution with GMO-crops are unavoidable, especially

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for crops such as corn, soy, and in the near future alfalfa, among others. Therefore we strongly recommend participation in the Non-GMO project for our certified operations.

### **Livestock Production and Humane Treatment of Farmed Animals**

In this first version of the FairTSA Domestic Fair Trade Standard all livestock operations wishing to be FairTSA certified have to be certified organic, too. In addition, maximum stocking density provisions have been introduced so as to help prevent pollution from manure in both solid and fluid form and encourage animal appropriate behavior and well-being.

We envision incorporating requirements for non-organic livestock operation in the future.

We are currently not planning to include a “Humane Treatment of Farmed Animals” component in the standard. However, it is conceivable to include one or more of such existing programs into our program if an agreement with respective standard holder can be reached. Possible options include the Animal Welfare Institute, the Humane Farm Animal Care program, the American Humane Association certification, and the Whole Foods Market, Inc. “Humane Treatment of Animals” program.

### **Buyers’ Code of Conduct**

The buyers’ code of conduct lays down the minimum conditions for buyers to become a part of the fair trade network. They are asked for a fair treatment of their suppliers, the farmers and cooperatives that produce the products they purchase and for an investment into the producer communities – in short, we promote fair and socially responsible capitalism.

### **Processed Foods Standard**

The Processed Foods Standard describes the requirements for the FairTSA certification of processed foods. Specifically, it sets a minimum percentage for ingredients, and it excludes certain ingredients as customers expect Fair Trade certified products to be healthy as well.

Here also, organic certification covers a major part of our requirements, thus making the audit of such facilities as easy and effective as possible.

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**FairTSA's Fair & Sustainability Partners Program**

We are introducing this aspect of our program to add an additional incentive for companies that take Fair Trade seriously and incorporate it into their company policies and structures. This will allow them to document their commitment to their customers, suppliers and the public in a transparent and convincing manner.

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## Frequently Used Acronyms

**CC:** Cooperating Certifiers (they are not PACs but assist in auditing certain operations)

**CP:** Community project

**FairTSA:** Fair Trade Sustainability Alliance

**FSP:** FairTSA System Plan, or, depending on context:

**FSP:** FairTSA Supporting Partner

**ILO:** International Labor Organization

**MCL:** Maximum Contaminant Level

**NOFG: Non-Organized Farmer Group**

**PAC:** Preliminary Accredited Certification Agency

**QMS:** Quality Management System

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## General Requirements (Sections 1 -22)

### 1. Applicability

Generally, this FairTSA standard applies to so-called “countries in the North” or “developed” countries, but may also apply to so-called “emerging nations”.

### 2. Application and Acceptance

Any producer has the right to apply for FairTSA certification, either with a Preliminary Accredited Certification Agency (PAC) or directly with FairTSA. In the case of application to FairTSA, FairTSA will send an email to all PACs simultaneously and let the applicant decide who to proceed with regarding FairTSA certification.

The PAC in question has to furnish the applicant with sufficient information about the FairTSA standard and with a copy of the standard itself or information how the standard can be obtained in electronic form.

It is not acceptable to deny acceptance for an operation on the basis of race, gender, nationality, religious belief, or other obviously discriminatory practices.

### 3. Inspection and Certification

#### 3.1 Preparation for Inspection

Upon acceptance of an operation for inspection and certification under the FairTSA standard, an inspection has to be scheduled in a timely manner and an inspection date has to be mutually agreed upon. The inspection should occur in such a manner that the crop(s) in question can be inspected before the harvest.

The inspector has to be furnished a comprehensive package with the relating documentation well before the inspection date so as to enable a proper inspection preparation. This package has to include copies of all applications, the FairTSA System Plan with all attachments, information about prior non-compliances and corrective measures, and important additional information, if applicable.

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### **3.2 Inspection**

The inspection has to take place in the presence of least one person responsible for the operation.

Once the Inspection has been executed, the inspector has to conduct an exit interview and explain all issues that need correction or improvement. The exit interview has to be signed by the inspector and the representative of the operation who was present during the inspection.

The operation has to receive a copy of the inspection report either immediately after the inspection or two weeks after the date of the inspection at the latest.

### **3.3 Certification**

The certification procedure shall be conducted in a timely manner. The certification decision has to be made within six weeks after receipt of the inspection report and then immediately conveyed to the operation along with a letter that lists non-compliances and remediation requirements. If the certification has been denied, the letter conveying the certification decision has to be accompanied by a document describing in detail the appeals process. If certification has been granted, the letter conveying that decision has to be accompanied by the FairTSA Master Certificate.

## **4. Continued Certification**

### **4.1 Annual Inspection**

In order to remain certified under the FairTSA standard, the operation has to inform the PAC at least two months before the renewal date on the master certificate. The FairTSA certification management will then trigger all steps as described in section 3.1 – 3.2.

### **4.2 Annual Certification**

The certification, like the inspection process, will occur on an annual basis as described in section 3.3.

### **4.3 Additional Unannounced Inspections**

The PAC has the right to conduct unannounced inspections. Those can be done randomly, or in cases of suspicion that the FairTSA standard has been violated by the operation. If necessary, inspectors may draw samples for chemical analy-

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sis. Those samples have to be handled according to section 15, "Handling of Samples for Chemical Analysis". The costs for additional inspections and chemical analysis have to be borne by the operation regardless if a violation of the FairTSA standard is established or not.

Likewise, FairTSA retains the right for announced and unannounced audits of any of the PAC's at its sole discretion.

## **5. Denial, Suspension, and Revocation of Certification and the Appeal Process**

### **5.1 Denial of Certification**

In case the first inspection shows significant deficiencies with regard to compliance to the FairTSA standard, the certification can be denied by the PAC. In case of denial of certification, the reasons for the denial have to be clearly identified and based on FairTSA standard requirements. A letter via certified mail or other mail services that allow for a signed receipt has to be sent to the operation in question within two weeks of the denial of certification. Appealing this decision is possible and described in section 5.4.

### **5.2 Suspension of Certification**

In case of serious violations of the FairTSA standard, the approved certification body may decide to suspend the operation for a defined period of time, but not longer than one year. In case of suspension, the reasons for suspension have to be clearly identified and to be based on violations of FairTSA standard requirements. A suspended operation may not sell FairTSA certified products during the time of the suspension, except for manufacturers or packers who sell products with the FairTSA mark on the retail package. These manufacturers or packers may sell already FairTSA-labeled products for not more than six months from the date of the suspension. They must not produce any new products with the FairTSA mark on the package during the period of suspension containing ingredients from the suspended operation. Should the reason for the suspension not be resolved within one year, certification will be revoked.

A letter via certified mail or other mail services that allow for a signed receipt has to be sent to the operation in question within two weeks of the suspension. Appeals to suspensions are possible and described in section 5.4.

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### **5.3 Revocation of Certification**

In case of a major violation of the FairTSA standard the approved certification body may decide to revoke certification of an operation. The reasons for the revocation have to be clearly identified and based on violations of FairTSA standard requirements. A letter via certified mail or other mail services that allow for a signed receipt has to be sent to the operation in question within two weeks of the revocation of certification. Appealing the revocation of certification is possible and described in section 5.4.

### **5.4 Appeals Process**

Once an operation receives a decision of denial, suspension or revocation of certification, said operation has the right to appeal the decision. The appeal has to be made in writing within 90 days of the decision. The appeal letter has to clearly state the reasons why the operation thinks the decision is not justified or which improvements to the operation have been carried out so that the grounds for the initial decision are obsolete. The PAC will then review the appeal and issue a decision. This review and the issuing of the decision have to be made within one month after receipt of the letter of appeal.

If the decision is upheld by the PAC, the operation in question has the right to file an appeal before the Appeals Committee of the FairTSA advisory board. The Committee has to review the complete case documentation. Both the PAC and the operation have the right to request a conference call with the Committee to plead their case. The Committee is obligated to issue a decision within three months from the date when it received the appeal. The decision of the Committee is final.

## **6. Qualifications and Training of Approved Inspection and Certification Personnel**

### **6.1 Qualifications**

All PAC personnel have to show experience and proficiency in the field of FairTSA inspection and certification or experience that is closely related. As a minimum, all personnel have to have three years of experience as inspector, certification evaluator, or other responsible function with a certification agency or professional experience in a closely related area. In addition, a college degree or a formal professional education in a discipline relating to the social, economic, agricultural or environmental aspects of the FairTSA standard is nec-

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essary. Exceptions may be granted at the sole discretion of the FairTSA management.

The PAC management may appoint inspectors with a less formal skill set, if such inspectors have extensive experience in and knowledge of specific regional conditions and relating language skills. Such appointments can only take place after extensive review of the Curriculum Vitae of the respective candidate by the management of the PAC. The reasons for such appointments have to be documented and have to be made part of the personnel file of the respective inspector.

## **6.2. Training**

All PAC personnel who are charged with FairTSA auditing or certification tasks have to undergo FairTSA Training in the relating training curriculum and the associated documents as specified by the FairTSA management. This training can either be provided by a qualified FairTSA team member, an outside consultant with experience and proficiency in the field and familiarity of the FairTSA standards, or by an experienced personnel member of a PAC. All materials for the training sessions have to be documented. In addition, a list of participants including the trainer has to be kept by the PAC. All participants have to sign and date that list. Proof of Participation at FairTSA training sessions has to be part of the personnel files.

## **7. Impartiality and Conflict of Interest**

### **7.1 Impartiality**

All inspections and certification decisions have to be carried out with an impartial attitude on the basis of the FairTSA standards. All inspection and certification personnel have to sign a document that they will adhere to this principle.

### **7.2 Conflict of Interest**

All inspection and certification personnel of the PAC as well as contracted personnel have to fill out and sign a "Conflicts of Interest" form. In this form, they have to declare all potential conflicts of interest for themselves, their spouses and other direct family members and commit to abstaining from the inspection and certification process for a certain operation if such a conflict of interest exists.

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## 8. Costs of Inspection and Certification,

The PAC has to publish a complete inspection and certification fee schedule and provide this schedule to all operations that request information material regarding FairTSA. The PAC has to provide a cost estimate for inspection and certification before the inspection and certification contract is signed.

## 9. Quality Management System (QMS)

### 9.1 Establishing a QMS and Reporting by the Quality Manager

Each PAC shall define, establish and document its rules and procedures to maintain a QMS and appoint a QMS manager. The QMS manager shall report directly to the PAC's executive management on a regular basis.

### 9.2 Requirements Regarding the QMS

The QMS of the PAC shall at least address the following:

1. A quality policy statement
2. A brief description of the legal status of the PAC including the names of its owners or the persons who control it
3. The names, qualifications, and experience of the senior executive and other certification personnel
4. An organizational chart
5. A brief description of the organization
6. Policy and procedures for conducting management reviews
7. Administrative procedures including document control
8. A job description and the specific responsibilities and reporting lines for each person responsibly involved in FairTSA inspection and certification activities
9. The procedure for the recruitment, selection and training of certification body personnel and a list of approved sub-contractors and their training, if and where applicable for FairTSA
10. Procedures for handling non-compliances and ensuring the implementation of corrective measures
11. The procedure for inspection, evaluation and certification of operations and products including conditions for issue, retention, and withdrawal of FairTSA certification and the authority over documents employed in the FairTSA certification process
12. Procedures for internal audits.

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## 10. Internal Audit and Review of the Quality Management System (QMS)

### 10.1 Internal Audit

PAC's have to conduct an internal audit at least once a year. The audit shall include all FairTSA inspection and certification procedures and the personnel responsible for the procedures. The PAC shall ensure that:

1. All personnel responsible for the area audited are informed of the outcome of the audit
2. Corrective action is taken in a timely and appropriate manner
3. Results of the audit are properly documented and made available for audit by FairTSA.

### 10.2 Review of the Quality Management System (QMS)

The QMS has to be reviewed by the management of the PAC on an annual basis.

## 11. The FairTSA Advisory Board

The FairTSA advisory board is constituted by at least 7 members. It shall include the following positions:

1. The Executive Director of FairTSA as an ex officio member.
2. One member representing the producers
3. One member representing the buyers and manufacturers
4. One member representing consumers
5. One member representing the scientific community
6. Two members who are representatives of certifiers.

The advisory board shall meet once a year in person or via teleconference and shall conduct conference calls each quarter. The Executive Director of FairTSA is responsible for notifying and convening the advisory board on a timely basis, preparing the agenda and taking minutes.

The duties and competences of the advisory board are as follows:

- Comment and advise on all FairTSA matters
- Present improvements regarding the standard, the inspection and certification procedures and the FairTSA premium procedure
- Constitute the board of appeals.

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## 12. Stakeholder Meetings

Stakeholders are defined as all persons or entities that are either directly involved or have an interest in the FairTSA program. Examples for directly involved stakeholders are producers, processors, buyers, and traders of FairTSA certified products. Persons with interest in the program can be consumers, the interested public in general, federal or state authorities, or other non-profit organizations. The FairTSA management will conduct stakeholder meetings at least on an annual basis one year after the start-up phase. These meetings can be conducted in any location that seems reasonable and conducive to the FairTSA management team; in certain cases stakeholder meetings may be conducted via teleconference.

Subject matter of the stakeholder meetings can be all issues that are directly concerned with FairTSA standards and their implementation. All stakeholders present shall be given the right to speak if they so wish.

## 13. Internal Control Systems

Internal Control Systems (ICS) may be established when cooperatives or non-organized grower groups with a FairTSA Supporting Partner (manufacturer or processor) request certification under the FairTSA program. If this is the case, the conditions laid down in subsections 13.1 - 13.2 apply.

### 13.1 Minimum Inspection Requirements

If cooperatives or grower groups are of such a significant size that not every single unit can be inspected, an Internal Control System (ICS) can be established according to the provisions of ISO 62. The actual number of the necessary minimum inspections of individual farms will be determined by the PAC according to objective criteria such as location of smallholder farms, degree of familiarity with the standard, complexity of operation etc. Based on these factors, the PAC will create a Risk Assessment for the respective Grower Group and determine the minimum number of members to be inspected on an annual basis. However, the minimum number cannot be less than 10 the square root of the number of members of the grower group.

The risk assessment and the minimum number of members to be certified will be disclosed to the Grower Group after the FairTSA System Plan has been received by the PAC and before the first inspection is scheduled. The following general areas have to be inspected by a FairTSA inspector on an annual basis:

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1. Project headquarters
2. Audit trail for all FairTSA certified products, or, if products are too numerous, a representative sample.
3. General state of records
4. Inputs used and distributed among members
5. Management of the Organization
6. Lists of growing communities including the respective members
7. All processing facilities
8. All centralized storage facilities
9. All internal transportation systems
10. Packaging materials
11. Education program

### **13.2 Conditions for the Acceptance of the ICS**

The ICS of a grower group can only be accepted when the following conditions are met:

1. The crops and farming practices of the grower groups regarding FairTSA certified products are uniform
2. Inputs are very similar from farm to farm/smallholder to smallholder
3. Participants sell all their FairTSA certified products through the grower group or to one FairTSA certified processor or handler
4. An independent and transparent Internal Control System with proper inspection and documentation of production practices and inputs used at each operation exists
5. The growers group has an ongoing, well documented education and training system for FairTSA standards
6. Grower groups must use centralized input purchasing, processing and distribution facilities as well as joint marketing of their products.

### **14. Sub-contracting**

The PAC may sub-contract certain tasks such as inspections or analysis for chemical and biochemical composition of products to external entities or persons. In such cases, the PAC shall:

1. Take full responsibility for such subcontracted work
2. Fully maintain its responsibility for granting, maintaining, extending, suspending or withdrawing certification
3. Ensure that the subcontracted entity or person is competent and complies with the applicable provisions of the FairTSA standard and the rules

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and procedures of the PAC, and specifically with the training requirements and the conflict of interest policy.

## 15. Residue Testing Procedure

Samples for an analysis of the chemical or biochemical composition of products have to be taken and handled according to scientifically accepted methods. They have to be analyzed by an accredited laboratory. The chain of custody for each sample has to be documented. Each person taking temporary custody of the sample has to sign the "Chain of Custody" form with time and date. Samples have to be transported under proper environmental conditions (e.g. cooled, frozen) so as to maintain the integrity of the sample.

## 16. Supply Chain Certification and Audits

The PACs or cooperating certifiers have to secure the complete traceability of FairTSA certified products from the source to the consumer. This is achieved by certifying and/or auditing all importers, exporters and processors of FairTSA certified products. The PAC's will provide FairTSA unfettered access to the certification and auditing data, which has to be kept for a minimum of five years from the first certification date. In cases where several certifiers are involved in a supply chain, PAC's and FairTSA will cooperate to ensure that the whole supply chain is being inspected and/or chain of custody is complete.

## 17. Labeling, Shipping Papers and Invoice

### 17.1 Labeling of Commodities

#### 17.1.1. Purchases of FairTSA-Certified Products by a Licensed Buyer

If a FairTSA certified producer sells FairTSA certified commodities to a licensed buyer under purchasing conditions as described in this standard (at fair trade price with Social Premium), bags, cartons or boxes for commodities have to be clearly marked with the letters "FairTSA" and the respective product name after these letters, such as "FairTSA lettuce" or "FairTSA peaches". The FairTSA mark can either be printed on the packaging itself or on a label that is firmly attached to the respective packaging.

All shipping papers and invoices for FairTSA certified products have to be clearly marked with FairTSA, such as in "FairTSA peaches". This is especially important in

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case of bulk products, as no packaging for labeling is present and the traceability is more difficult.

### **17.1.2. Using the Logo for Direct Marketing and Buyers with Annual Purchase Volume Less Than \$30,000**

If a FairTSA certified producer sells product either directly to customers or to a non-licensed buyer who purchases commodities below \$30,000 annually from that producer, the same labeling rules as under 17.1.1. apply. This exception from the licensing contract has been made to allow use of the logo to those small scale and locally operating farms that this standard was written to support.

### **17.1.3. Purchases over \$30,000 by Non-Licensed Buyers**

If a FairTSA certified producer sells product to a non-licensed buyer who purchases commodities for over \$30,000 annually, the FairTSA logo and the FairTSA declaration on boxes and shipping and sales documentation as described under 17.1.1. is not permitted. In this case, however, the FairTSA certificate can accompany the sale and serve as a social responsibility certificate, which at no point in the chain of custody may be used as a Fair Trade certificate, as Fair Trade involves a Fair Trade price, Social Premium, and a licensee for the FairTSA logo.

## ***17.2 Labeling of Semi-Finished and Finished Products***

If an entity chooses to be licensed by FairTSA and to carry the FairTSA label, a printable electronic version of the FairTSA label may be requested from FairTSA's management. Finished products in the retail channel which are labeled for sale and carry the FairTSA label have to clearly state the FairTSA-certified ingredients on the packaging. Specific requirements for Processed Foods are addressed in the relating section of this standard. All retail labels have to be reviewed and approved by the PAC.

## **18. Use and Control of Certificates and Logo**

The PAC has to keep the contact information and all certificates of FairTSA certified producers and companies and the certificates issued to such companies.

Certificates have to be individually numbered, and, if they are sent as e-mail attachments in electronic form, they have to be sent as secured pdf-files.

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The receipt of certificates issued has to be confirmed by the receiving entity not later than 14 days from receipt of the certificates.

## 19. The FairTSA System Plan

The FairTSA System Plan (FSP) is a document that each operation applying for certification under the FairTSA standard has to complete before the inspection can be scheduled. The PAC has to furnish every applicant the appropriate FSP forms, which then have to be returned with the proper information included. Except under attenuating circumstances, the PAC should not schedule an inspection before the FSP has been received.

## 20. Acceptance of other than FairTSA Certification Programs

### 20.1 Organic Country Regulations

FairTSA will accept all organic country regulations such as the USDA National Organic Program, the Canadian national Organic standard, the EU 887/20008 regulation, and the Japanese Organic Agricultural Standards (JAS), etc. as fulfilling most of the environmental requirements of the standard for agricultural production. Endangered species, valuable ecosystems and all provisions relating to the maintenance of open water bodies and waste management have to be verified in addition to the organic standard.

### 20.2 Other Certification Programs

After GAP analysis and benchmarking, FairTSA will accept other certification programs to the extent that they cover FairTSA requirements. FairTSA requirements that are not met will have to be covered by a rider stating the specific additional requirements for inspection and certification. A valid certificate and a published standard are prerequisites for this procedure.

## 21. Payment of Fees

All Social Premiums and FairTSA Licensing fees have to be paid on time as specified in the respective invoices. Non-payment of fees for more than 45 days constitutes grounds for suspension of certification and licensing, and non-payment of fees of more than 90 days constitutes grounds for revocation of certification and licensing.

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# Fair Trade Sustainability Alliance Standard for Agricultural Products Sections 22 - 54

## Admissibility (Sections 22 – 27)

### **22. Types of Producer Entities and Admissibility**

#### ***22.1 Types of Producer Entities***

Admissible types of producer entities are cooperatives, non-organized grower groups that deliver their products to a FairTSA Supporting Partner (FSP) and individual farms and estates. Large plantations, ranches and multi-national agricultural corporations are generally not admissible, except if they comply with all additional requirements as stipulated in the respective sections.

#### ***22.2 General Admissibility***

All operations requiring FairTSA certification must adhere to the applicable FairTSA standard(s) and the principles of Fair Trade in general. State-owned or state-controlled operations are not eligible for FairTSA certification.

### **23. Cooperatives**

Farmer Cooperatives are admissible if they are legally established under the laws of the respective country. A copy of the Certificate of Incorporation, by-laws and the contact information of all Board Members must accompany the first inspection report and must be updated as necessary.

#### ***23.1 Democratic Structure***

The structure of the organization must reflect the commitment to democratic principles, include well-defined participatory elements and provide transparent accounting. If these are not in place at the time of certification, they must be stated as a development goal.

In order to satisfy these principles, the organization must conduct

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- a) Annual member meetings in which, at a minimum, the strategic direction of the grower group, the annual financial statement, all matters relating to FairTSA certification must be discussed.
- b) Improvised meetings of sub-groups if required by the membership to address specific aspects of the organization in order to create clarity of and improve existing organizational structures.

Minutes of all meetings as well as invitations and requests of members for ad-hoc meetings must be documented and made available for inspection.

### **23.2. Voting Rights**

All members must have equal voting rights with regards to the election of the Cooperative Board members, strategic decision making and the changing of the association charter.

### **23.3 Financial Audit System**

The organization must demonstrate that a functioning internal audit mechanism is in place. At a minimum, an internal audit committee must be established that does not include staff or board members and that has access to all financial and decision-making documentation. This internal audit committee has the right to convey its findings to all members in written form.

### **23.4 Transparent Administration**

The administration of the farmer association must be clearly structured and easily understandable. Specifically,

- Positions within the administration need to have job descriptions with clearly described authorities and responsibilities.
- The organization must have a system of keeping members informed about ongoing issues on a regular basis
- The organization must inform members about the FairTSA certification system and opportunities (amounts that can be sold to buyers) in a timely and comprehensive manner.

### **23.4 Relationships within the Cooperative**

The relationships within the grower group must be based on the principles of equality and non-discrimination (see also Section 1, Section 2.3). All members of the group can be nominated for any position within that group.

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## 24. Individual Farms

Individual farms are certifiable under this standard. In addition to complying with all other regulations, individual farms must invest at least 50% of the Fair Trade price differential in additional pay, better healthcare and better general living conditions for workers, and 25% of the Fair Trade price differential must be treated as Social Premium and used for Community projects.

## 25. Non-Organized Farmer Groups (NOFGs) that Deliver Products to One Processor or Manufacturer

### 25.1 Use of Pesticides

Only NOFGs where each individual member has a good track record (at least 3 years) of documenting purchases, use, application methods, training, and storing of pesticides may be accepted as member of an NOFG.

### 25.2 FairTSA Supporting Partner

The processor or manufacturer to whom the certified products are delivered for processing or manufacturing must take an active and supportive role in organizing the farmers for the community project. The name of this entity for the purpose of this standard is "FairTSA Supporting Partner" (FSP).

### 25.3. Contracts between Farmers and the FairTSA Supporting Partner

There must be contract in place between each farmer and the Supporting Partner. At minimum, this contract must specify the following:

- A description of all agricultural products to be bought/sold
- Any quality requirements for said products
- Delivery specifications
- The current product price
- The Fair Trade price (at least 7.5% above the current price for products of similar quality from the same region)
- Any other provisions that are of consequence to the relationship between the FSP and the farmers.

### 25.4. Requirements for the FSPs

The FSP must be committed to support its suppliers in fostering their social and economic progress. The FSP must not coerce the farmers to deliver FairTSA certified products solely to the FSP. If existing contracts specify such a unilateral rela-

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tionship, they must be replaced with contracts that allow sale of products to other buyers than the FSP within a year, unless there is a strategic partnership between the FSP and the farmers in place that serves the best interests of both entities. Such contracts must be open for inspection and need to contain aspects specifically dedicated to fostering the social and economic progress of the suppliers.

### **25.5. Administration of the Social Premium**

If the FSP is the entity that receives the Social Premium for the FairTSA certified products, it must be willing and able to administer and properly account for all Social Premium monies received. Furthermore, these monies must be held in a separate account for accounting purposes. Payments from the Social Premium fund can only be made in accordance with the Community Project Plan and have to be fully documented and made available for the annual inspection and for any additional audit by either FairTSA or the respective PAC.

## **26. Farms with Limited Plant Varieties or Monoculture**

This standard is not meant to certify large-scale individually or corporation owned agricultural businesses which typically produce one or only very few dominant cash crop(s) or animals or animal products for sale and employ a large permanent or seasonal salaried workforce.

Therefore, such operations may only be certified after an initial FairTSA audit determines that basic social and environmental issues are addressed and if the operation has a 5-year plan to address any additional social and environmental issues deemed necessary in the sole discretion of FairTSA's management.

## **27. Large National and Multi-National Corporations**

Large national and multi-national agricultural corporations and their subsidiaries, affiliates, daughter companies or any other entity governed by the mother company are generally not admissible for Fair Trade certification under this standard. If a multi-national corporation or a daughter company of a multi-national corporation wishes to achieve certification under this standard, they are required to enter meaningful negotiations with the FairTSA board and draw up a plan with at least a 5 year term that must address:

- Any obvious and publicly documented cases of social injustice and environmental degradation caused by the corporation

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- Converting a meaningful acreage and number of farmers to Fair Trade certification under this standard within a 3-year time period.

Large national and multinational agricultural corporations are defined as corporations with annual sales from agricultural products of more than \$1 billion and multiple subsidiaries (at least 10) producing agricultural products.

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## Social Requirements (Sections 28– 32)

### **28. Objective**

The objective of this section regarding social requirements is to establish certain social criteria that operations must comply with in order to be FairTSA certified.

### **29. Responsibilities of the Upper Management**

The upper management of all certified operations must be knowledgeable about the FairTSA standard and must show a commitment for achieving its goals. It must designate a responsible person for all FairTSA-related production and/or processing operations and allocate the necessary resources for all necessary measures and processes according to the FairTSA standard.

### **30. Transparency, Democracy and Participation**

#### ***30.1. Transparency with Regard to FairTSA-related Issues***

All FairTSA certified operations should demonstrate increased transparency with regard to the dealings of the management with all types of employees and/or grower organization members. All opportunities and decisions relating to FairTSA Fair Trade issues must be communicated to all employees and/or members of the operation in an open and transparent way.

#### ***30.2. Democracy and Participation***

All FairTSA certified operations should strive to increase the elements of democratic and participatory decision-making and increased transparency in all dealings relating to FairTSA-related issues.

### **31. Fostering Social Development – The Community Project**

The Community Project is the central means of social progress as envisioned and fostered by the FairTSA program. Each producer operation must draft a plan that shows how the Social Premium will further the social and economic development of its members and/or workers and the surrounding community. This plan for the use and/or distribution of the Social Premium must be submitted to the PAC, who then will approve the plan if it is within the requirements of this standard. The PAC can only request changes to this plan if the plan clearly contradicts the standards or additional published criteria.

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FairTSA may, at its sole discretion, publish additional criteria to which the project must adhere.

The Community Project of each operation will be documented on the FairTSA-website so as to make the distribution of the funds and the associated process transparent for all stakeholders.

All Community Projects should be governed by a sense of collaboration and mutual benefit. Insofar as the Social Premium is used to work within producers' communities, the decision-making process for the projects must include community information and community input in the decision-making process for the Community project.

## **32. Social Progress Goals**

### **32.1. Social Premium**

First tangible and measurable results of the plan should be in place not later than 12 months after the date the first Social Premium monies have been received. Community Projects and their financial transactions are subject to verification by the inspector at the time of the annual inspection and at potential additional announced or unannounced inspections or FairTSA audits.

### **32.2. Community Project**

The Community Project must be in line with FairTSA guidelines for domestic Community Projects. A producer can request that a Community Project which is not captured by the guidelines in this standard, may be accepted. The PAC may decide if the proposed project fulfills the intention as outlined in this standard. If in doubt, the PAC may request a decision from the FairTSA management in this matter.

#### **32.2.1 Types and Location for Admissible Community Projects**

##### **32.2.2.1 Location of Community projects**

Community Projects (CPs) shall take place on the farms or cooperatives or the nearby producer communities. PAC's may accept proposals for CP's that are located elsewhere. In this case, the certified producer must make its case in writ-

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ing why the CP should be in a different location. If there is sufficient reason, the PAC will then make its decision to accept such a CP.

### 32.2.2.2 Acceptable Types of Community Projects

Please note: The examples given below are by no means comprehensive. If a cooperative or producer feels that they have a significant potential project that does not fit into those categories, we encourage them to put in a request with the PAC to approve the project.

#### Improving Workers' Living Conditions

All measures geared toward improving workers' living conditions (including seasonal and migrant workers) such as building or improving living quarters, sanitary conditions etc. are acceptable.

#### Local and Regional Marketing Projects

All local and regional marketing and direct marketing projects such as farmers' markets, regional quality labels or any initiatives that support the growers' ability to sell products at decent prices locally or regionally qualify.

#### Health Care Projects

Health care projects encompass the whole spectrum of health care and prevention education. Below are some examples of health care projects:

- Cooperation with and support of the Migrant Clinicians Network
- Enabling or alleviating access to health care
- Supporting community-based health institutors,
- Health care support for especially vulnerable members of the community.

#### Food Security Projects

Food security projects are projects that are geared to secure and expand the available food sources for workers. Examples would be the following: workers on the farm are given a piece of land, training if necessary, seed and equipment to work the land for their own subsistence.

#### Environmental Projects

Environmental projects are projects whose goal is to improve or restore natural environmental conditions. We categorize environmental projects in three areas:

##### Improving or restoring the natural environment

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Typical examples are the following: reforestation, securing or re-establishing valuable wetlands, properly maintaining and or restoring other ecologically valuable land.

Intelligent Water Use and Protection Including Water Security

Some examples are low-input irrigation systems, securing existing water bodies by minimizing or preventing erosion and other water pollution, preventing run-off from agricultural land into open water bodies.

Waste and Waste Water Treatment

Examples include separating and recycling wastes, including organic waste (composting), safe ways of disposing of residual wastes, improving simple waste water treatment facilities.

**Educational Projects**

Educational projects are all projects that improve access to education for children and adults. Examples are literacy campaigns, English as a second language, or other educational efforts.

**Small Business and Vocational Training**

All measures geared to empower workers or community members to establish their own business or specific skills that will help them to sustain themselves and their families are admissible. This could include, for example, involving local youths in the organization of farmers' markets under proper supervision.

**32.2.2 Annual Community Project Inspections**

Producers must agree to annual inspections and additional announced or un-announced independent third-party inspections of their Social premium funded Community projects.

**32.2.3 Transparency and Public Documentation**

The FairTSA web site will contain publicly accessible comprehensive information about each Community Project so as to give project members and other stakeholders, including consumers, in-depth and up-to-date information about each project.

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## Economic Requirements (Sections 33– 36)

### 33. FairTSA Negotiated Product Price and Minimum Price

#### 33.1 Negotiated and Minimum Price

Products from FairTSA certified farms or cooperatives are traded at the “Negotiated Price”. This price is negotiated between buyer and seller and must be at least 7.5% above the local farm gate price of the same product of similar quality for the production region.

At times when the regular price is relatively high, the farmer may prefer to negotiate an “individual floor price” for a specific product with a buyer instead of asking for the price premium. In this case, the agreement between farmer and buyer needs to be for a minimum of three years.

A “Minimum Price” can be set by the standard holder, if the market price falls below the point of production costs plus an appropriate profit. All players involved in the FairTSA certification program – producers, buyers of certified products, and the PAC’s have the right to alert the FairTSA management if the market price for a certain product approaches that point. The minimum prices will be set by FairTSA’s management, in direct communication with buyer and seller. These minimum prices will be communicated to all clients via FairTSA program information, by the PAC’s, and they will be published in the product registry as soon as they have been determined.

FairTSA encourages payment of additional price premiums based on product quality or other criteria as negotiated between buyer and seller.

#### 33.2 Basis for the Negotiated and the Minimum Price

The basis for the negotiated price is the farm gate price. If additional transportation arrangements or services are delivered by the seller, these services and arrangements must be covered in the contract and paid for at least at cost and a reasonable profit margin. Remuneration for these additional services and arrangements are not part of the basis for the FairTSA Social Premium as described in section 34.1.

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## 34. FairTSA Social Premium

### 34.1. Amount and Distribution of the Social Premium

The FairTSA Social Premium for agricultural products consists of a surcharge of 2.5% based on the negotiated price as defined in section 33.1 and 33.2.

The buyer of the product must pay the Social Premium along with the product price to the seller and clearly indicate the amount of the Social Premium as "FairTSA Social Premium" on the invoice.

Any changes or alterations to this arrangement must be agreed upon in writing by FairTSA, the respective Licensee(s) and the farmers or cooperatives.

## 35. Farms Marketing Directly to the End Consumer and Smaller Farms

### 35.1 Exempt Products

Products that are directly marketed via on-farm store, farm stand, farmers' market or any other form of direct marketing to end consumers are exempt from the Fair Price premium and the Social Premium. Farms with FairTSA Certification may use the FairTSA logo on these products, if they pay the general licensing fee per section 35.5. The PAC is responsible for verification of respective sales and that the farm licensing fee is paid to FairTSA.

### 35.2 Buyers Exempt from Licensing Fees

In order to enable small farms and farms that mainly market directly to the end consumer to use the FairTSA logo in an effective way, FairTSA is making the following exemption:

The FairTSA certified small farm may use the FairTSA logo on products sold to buyers such as wholesalers, retailers etc. up to an annual sales volume of \$30,000 without additional licensing fees to be paid to FairTSA by such buyers provided that the general licensing fee per section 35.5 is paid by the producer to the PAC, who passes the fee along to FairTSA.

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### 35.2.1 Farms with Gross Sales of Less than 50,000 Dollars

If farms with gross sales of less than 50,000 USD hire workers exempt from Federal Minimum Wage, they must pay a minimum wage of \$6.50/hour or the state minimum wage, whichever is higher. In lieu of the Community Project, they need to document their efforts to educate their costumers and the general public about one of the below or similar topics in a structured way at least twice a year:

- Organic Farming
- Effects of Genetically Modified Organisms in agriculture
- Sustainability in farming
- Fair Trade

In addition, they need to document their ongoing engagement in farmers' organizations, environmental organizations or other ongoing engagement regarding the above mentioned topics.

### 35.2.2 Farms with Gross Sales between 50,001 and 200,000 Dollars

If farms with gross sales between 50,001 and 200,000 USD hire workers exempt from Federal Minimum Wage, they must pay at least the Federal Minimum wage (currently \$7.25) or the State minimum wage, whichever is higher.

With regards to the Community Project, farms of this size may propose a project that is totally funded by in-house contributions. The time needed for the poject should be equivalent to at least five regular work days. Regular activities executed by the farmer and the workers such as managing or co-managing a farmers' market, contributing to farmers' association activities, or other similar activities are eligible if properly documented.

In addition, farms of this size need to document their ongoing engagement in farmers' organizations, environmental organizations or other ongoing engagement regarding the above mentioned topics.

### 35.3 Community Supported Agriculture (CSA)

Farms that generate 50% or more of their annual gross sales through CSA activities are eligible for FairTSA certification without further proof of a community project, as the CSA itself is considered to be a community project that helps people to re-connect with the land and directly support local and sustainable food production.

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All other requirements in this standard pertain to CSA's as well.

### 36. Bookkeeping

The bookkeeping system shall be inspected during all inspections. It must allow for the documentation and traceability of all FairTSA transactions, including payments of wages and salaries for all employees including temporary, migrant and contract workers. The bookkeeping system must comply with all legal regulations for the specific country and/or state where the operation is located.

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## Labor Requirements and Occupational Health and Safety Requirements (Sections 37 – 44)

### **37. International Labor Organization (ILO) Conventions as Basis of the Labor Requirements**

The subsequent sections of the FairTSA standards are based on the following ILO conventions: Conventions 29, 105 and 138 regarding child labor and forced labor; conventions 87 and 98 regarding freedom of association and collective bargaining; 110 and 111 regarding equal pay and non-discrimination; convention 155 regarding occupational health and safety.

### **38. Objective**

The objective of this section is to safeguard employee health by creating and maintaining safe work conditions. In addition, conditions for child and youth employment are laid down, the rights to form associations and to collective bargaining as well as non-discrimination issues are integral parts of this standard.

### **39. Applicability**

These standards are applicable for all workers, migrant or seasonal workers and contract workers, including individual members of cooperatives who are employed by the management of the operation.

### **40. Working Conditions for Children**

#### **40.1 Punishment of Children**

No punishment of children, either corporal punishment or punishment in form of subtractions from contractually guaranteed pay are permissible.

#### **40.2. Minimum Age and Schooling**

If children are a part of the work force, they must be at least 16 years of age. Employment of children must in no case jeopardize or prevent available education and schooling opportunities. Children of farmers may work on their families' farm, as long as the work is age-appropriate and does not prevent available education.

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**40.3 Persons under 18 and Dangerous or Physically Extremely Challenging Environments**

Persons under the age of 18 are not permitted to work in dangerous or physically extremely challenging environments. Persons under the age of 18 are not allowed to handle hazardous materials, including pesticides.

**41. Prohibition of Wage Deduction and Sexual Harassment**

**41.1 Punishment of Workers**

No punishment of workers, either in corporal form or in the form of wage deduction is permissible.

**41.2 Sexual Harassment**

Sexual harassment of any kind is strictly prohibited.

**42. General Conditions for Employment**

**42.1 Minimum Conditions for First Inspection**

The operation must adhere to all regional, state and federal labor legislations such as the Migrant and Seasonal Agricultural Worker Protection Act (MSPA) and the Fair Labor Standards Act (FLSA). As those regulations are not sufficient to provide acceptable minimum wage and labor conditions, the regulations below must be fulfilled at the initial FairTSA Domestic FT certification.

The operation must issue a standard labor contract for all workers, including seasonal, migrant and foreign temporary workers on H-2A visas, which must include the stipulations below.

1. All agricultural contract workers must be paid at least the federal or state minimum wage, whichever is higher. The operation must obtain a written confirmation by the contracting company that minimum wages are paid. If the contracting company is not willing to confirm payment of minimum wages in writing, the operation must document the attempt to obtain the confirmation and contact at least one additional contracting company and inquire if they are willing to issue such a statement. Either the statement or the

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two attempts of getting such statements must be attached to the FairTSA System Plan.

2. All workers must be paid an overtime premium of at least 10% of the minimum wage. Overtime is considered as every work hour that exceeds 48 work hours per week. If the regular wage paid by the farmer is already 10% or more than the minimum wage, overtime does not have to be paid.
3. The operation must provide workers' compensation for all workers, including migrant, seasonal and foreign temporary workers on H-2A visas. In case not all workers are covered by workers' compensation during the first inspection, the operation must comply with this requirement not later than 6 months after the date of the first certification. If no proof of workers' compensation is presented to the PAC after that date, the operation will be automatically suspended, unless the operation is able to document at least two attempts of obtaining workers' compensation. If no workers' compensation insurance can be bought, the operation must present an alternative proposal to provide protection for workers that are injured on the job. This proposal must be reviewed and accepted by the PAC for the operation to maintain its certification.
4. The operation must have a sick leave policy in place that provides, at a minimum, unpaid sick leave time for all workers, including migrant and seasonal worker, with a guarantee to be able to return to the job after the sick leave, provided that there is regular work available.
5. The operation must agree in writing that no injured or sick workers will be pressured to work or threatened with job loss.

### **42.2 Internships and Apprenticeships**

All interns and apprentices are, at minimum, employed on the basis of a written agreement, which must cover at least the following points:

1. Approximate length of work week
2. Scope of work
3. Subject areas and opportunities where the intern/apprentice is supposed to receive structured training
4. Stipend/pay arrangements
5. Housing and meal arrangements.

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### 42.3 Progress Goals

1. In year three, only contract workers whose contracting agency has agreed to abide by the requirements as set forth in this standard may be employed by the operation.
2. In year three, a sick leave policy must be in place that provides at the minimum seven paid sick days/personal days for all workers, including contract workers.
3. In year three, the payment for all workers, including contract workers, should be at or close to the Living Wage level for the region where the workers abide, but no less than \$9.00 per hour. Living wage is defined as pay that covers all basic needs, including a small budget for cultural expenses, basic health care, necessary transportation and a modest retirement contribution amounting to no less than 2.5% of base pay.
4. In year three, a complete working time and overtime policy including overtime pay must be passed, with overtime pay at least 10% more than the base pay of \$9.00.

If any of the wage requirements financially jeopardizes an operation, the owner(s) must document why complying with this rule would create a significant risk to the operation's ability to remain an ongoing concern. A worker committee and the owners must then determine what a reasonable hourly wage level is. Both workers and owner(s) may ask FairTSA's management for mediation if they cannot reach an amicable solution within a period of eight weeks from the start of the process. If the operation and the workers find an amicable solution, this solution is equivalent to fulfilling the wage requirements of this standard.

### 43. Freedom of Association and Collective Bargaining

1. The operation must confirm in writing that all employees have the right to join a trade union if they so wish.
2. The operation shall not discriminate against workers because of their trade union membership.
3. Operations may be certified even if no trade union is present or if there are important reasons for the operation not to have its employees join trade unions. In this case, the operation must file a written request with FairTSA's management to be exempt from this provision. The FairTSA management will decide within one month from receipt of the request if it can be granted.
4. In the absence of a trade union and if there are more than five workers employed on a regular basis, the workers are entitled to elect a commit-

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tee that negotiates with the operation’s management in all aspects that would otherwise be covered by a Collective Bargaining Agreement.

- Workers must be able to meet once a month for at least two hours on a paid basis to discuss work-related issues and give input and feedback to the management of the operation. Summary minutes of meetings shall be kept for at least two years and made available for inspection.

#### **44. Occupational Health and Safety Requirements**

The operation must comply with all regulations in the Health and Safety Occupational Safety and Health Standards for Agriculture (29 CFR 1928) or the respective state regulations, whichever is stricter. In addition, all inspections must verify the following:

- The operation must designate a person overseeing all occupational health and safety procedures.
- The person responsible for occupational health and safety issues must create a written report at least once a year, which the inspector must be able to access. Specifically, the report must document all trainings, identify any problem areas and special occurrences regarding injuries and propose measures and related timelines to improve the occupational health and safety situation of the operation.
- The operation must conduct training on occupational health and safety requirements at least once a year. Contents of the training and participants must be documented.
- New hires working in areas or with equipment that represents a safety issues must be trained before assuming their duties.
- The operation must provide the necessary resources and equipment to comply with health and safety requirements at no cost.
- All persons handling pesticides must undergo a documented training related to their storage, application and proper disposal.
- Persons younger than 18, pregnant or nursing women, persons with mental disabilities or severe health problems are not allowed to be involved in the handling, application, storage or disposal of pesticides.
- For the second and subsequent inspections the operation must provide the inspector a comprehensive written analysis of all work-related injuries, analyze any hot spots prone to cause or contribute to work accidents and injuries, and a brief written plan for how to improve the working and safety conditions of identified hot spots.

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## Agricultural Production and Environmental Requirements (Sections 45– 51)

### 45. Objective

The environmental section of the FairTSA standard serves to identify, maintain and enhance methods and practices with positive environmental impact and to identify and eliminate practices and methods with negative environmental impact so as to achieve sustainability for all land under cultivation, the surrounding landscape and the animal species living on the arable land and its surroundings.

### 46. Agricultural Practices

Most of the agricultural methods described in this section are strong recommendations for non-organic operations, as all organic operations should already have them incorporated their cultivation practices.

#### 46.1. Crop Rotation

The crop rotation shall contribute to the long-term health of the soil and to maintaining its productivity. The crop rotation must include elements such as sod, cover crops, green manure, and catch crops that:

1. Maintain or improve soil organic matter content
2. Manage deficient or excess plant nutrients and add nitrogen through the inclusion of leguminous plants
3. Provide erosion control
4. Support pest management.

#### 46.2. Soil Fertility and Crop Nutrient Management

Tillage and cultivation practices that improve physical, chemical and biological soil conditions and minimize soil erosion should be chosen.

Residual plant material shall be incorporated into the soil of the arable land in such a manner that it does not contribute to the contamination of soil or water. The burning of plant material on agricultural land is not permitted unless it is absolutely necessary such as in the case of pest or disease infestation.

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### **46.3. Crop Pest, Weed, and Disease Management**

The crop pest, weed and disease management is based on a step-by-step approach to deal with crop pests, weeds, and plant diseases.

The first step consists of applying prevention practices such as

- crop rotation,
- sanitation measures to remove disease vectors
- cultural practices that enhance crop health such as selection of species and varieties suitable to on-site conditions,
- development of habitat for natural enemies;
- other suitable preventive methods.

The second step consists of mechanical and physical methods such as:

- introduction of predators of parasites of the pest species;
- lures, traps, and repellents
- flaming of weeds
- other suitable mechanical and physical methods.

If none of the steps above are sufficient for crop pest, weed or disease management, suitable pesticides may be applied, provided that the operation complies with the all requirements of this standard set forth in section 47. "Use, Handling and Recordkeeping of Pesticides".

### **46.4. Additional Soil Erosion Prevention Measures**

In addition to the measures in 45.1 and 45.2, the operation must identify areas that need additional measures such as tree or bush planting, perennial cover etc. These areas need to be mapped and attached to the System Plan. In addition, a brief attachment with timelines and measures to be implemented must be included with the System Plan.

### **46.5. Irrigation and Water Use**

Irrigation methods must be as efficient as possible. In general, drip irrigation and other water-saving methods are preferred. The water use must be managed in such a way that the negative impact on the water table is minimized. If the irrigation system does not meet this requirement, the systems plan must include a description of planned improvement measures.

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## **46.6. Ecosystem Conservation and Endangered Species Protection**

### **46.6.1. Ecosystem Conservation**

Valuable and/or protected ecosystems may only be used for agricultural production in compliance with applicable regulations for such ecosystems. In the absence of local, regional or national regulations for valuable ecosystems, such valuable areas must be identified by the management of the operation. A set of rules for the sensitive use of these areas must be developed by the operation in accordance with internationally accepted management practices for such areas, attached to the FairTSA System Plan and approved by the certification agency.

### **46.6.2. Endangered Species Protection**

Endangered species as defined and legislated by local, regional or national authorities may not be harmed, used, sold, captured or held in captivity. Known habitats of endangered species must be mapped and protected to the fullest extent possible.

If current agricultural practices include the use of endangered species habitat, the grower group must develop a plan to phase out the use of such habitat within two years. This phasing-out plan has to be attached to the FairTSA System Plan and approved by the PAC.

## **46.7. Genetically Modified Organisms**

Methods to genetically modify organisms in processes that do not occur naturally, such as cell fusion, microencapsulation, macroencapsulation, and all types of recombinant DNA technology are prohibited.

## **47. Waste, Wastewater and Sewage Treatment**

### **47.1 Waste**

Waste has to be minimized. Unavoidable waste has to be separated and recycled as much as possible. Organic waste has to be source-separated and either composted, used as mulch, or used in biogas facilities. Waste dumps have to be kept separate from all fields of the operation and managed in an environmentally responsible manner.

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## **47.2. Wastewater and Sewage**

Waste water and sewage must not be released in open water bodies untreated. As a minimum, separation of solid and fluid waste has to occur and a leach field has to be used for the fluids, while the solids have to be deposited in a safe manner. Simple plant-based treatment plants for fluid wastes such as reed beds are preferable from leach fields.

## **48. Use, Handling and Recordkeeping of Pesticides**

### **48.1. Use of Pesticides**

The operation has to comply with all applicable laws and regulations. For In addition, the following requirements apply.

The operation must convert to a system of integrated pest management, if it not already does so. The integrated pest management system must include at least the following components:

1. Prevention of pests with all mechanical, physical and environmental methods available as discussed in section 45.3.
2. Setting action thresholds. An action threshold is a point at which pest populations or environmental conditions indicate that pest control action must be taken. Action thresholds have to take into account sound environmental and economic considerations regarding environmental impacts and potential financial losses.
3. A pest monitoring program based on proper pest identification techniques.
4. Necessary control with pesticides with the least negative environmental and health impacts.

If the operation did not have an integrated pest management plan in place prior to the first inspection, the operation must meet the following goals in minimizing pesticide use:

Baseline for pesticide use: the calendar year before first inspection. If the operation cannot document their pesticide use in that year, an overall assessment of typical pesticide use for the type of operation in the same region has to be provided with the FairTSA System Plan and approved by the certifier.

The following decreases in overall pesticide use should be achieved within the first three years:

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20% in year one, an additional 15% in year two, and an additional 5 % in year three, relative to the baseline. This should result in an overall decrease of pesticide use of 40% of the baseline after year three.

If the operation had an integrated pest management plan in use prior to the first inspection, pesticide use should be 40% less than the regional average for the specific crops the operation grows.

If this goal is not achieved, the operation has to submit a plan to the certifier stipulating how pesticide use will be reduced by 40% from the baseline within a year.

Pesticides listed in Annex A of the Standard are not permitted to use, except for the exemptions stated.

Hand-carried portable sprayers with hydraulic nozzles operating with a pressure of more than 4 bar (58psi, 3,000 mmHg) are not permitted.

All pesticides used must be listed in the FairTSA System Plan. Information provided must include trade name, active ingredient(s), and average amount used per hectare or acre. If pesticides are applied, the relating products must comply with all applicable Maximum Residue Levels permitted by law. Applying prohibited pesticides without disclosure constitutes grounds for immediate revocation or denial of certification.

## ***48.2. Application of Pesticides***

### **48.2.1. Personnel for the Application of Pesticides**

All legal rules and regulations for the application of pesticides have to be observed.

All personnel designated for the application of pesticides must be trained relative to the use, application, storage and deposition of pesticides. This training has to be documented in the System Plan and repeated on an annual basis. Only persons who are clearly aware of the dangers of pesticides and who sufficiently understand training contents may be designated for the application of pesticides. The operation must keep a list with names, contact info, and training

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sessions attended for inspection. All personnel designated for the application of pesticides must conform to all safety procedures listed by the manufacturer.

#### **48.2.2 Equipment for the Application of Pesticides**

All equipment for the application of pesticides must be properly maintained. All equipment must be cleaned after use according to manufacturer directions. Cleaning water must be properly disposed of.

#### **48.2.3 Storage and Deposition of Pesticides**

All pesticides have to be clearly labeled. They must be stored under suitable conditions in a locked space to which only designated personnel have access. The preferred disposition of unused pesticides is to return them to the manufacturer. In cases where this is not possible, local, regional or national agricultural extension has to be contacted to find out the best solution for disposition. It is not permitted to dispose of any unused pesticides, even in diluted form, on the farm, in rivers or streams, or in any other part of the farmland and its surroundings.

#### **48.2.4 Purchases and Recordkeeping of Pesticides**

Complete records of purchases, applications, storage and disposition must be kept for inspection and stored for at least five years.

#### **48. 2.5 Buffer Zones and Aerial Spraying**

The operation has to maintain sufficient buffer zones to neighboring operations when applying pesticides. Aerial spraying of pesticides is not permissible.

#### **48.2.5 Buffer Zones for Split Operations**

If in the non-FairTSA certified part of an operation pesticides are used that are not permissible under the FairTSA standard, the buffer zone between these different parts of the operation has to be at least 50 meters. If only FairTSA-permitted pesticides are used, the PAC may determine buffer zones as necessary.

### **49. Environmental Progress Goals**

If an operation does not fulfill all environmental requirements, said operation has to develop a FSP Progress Attachment. This attachment has to be approved by the PAC. The maximum time to comply with all requirements of the environmental part of the standard is three years. The Progress Attachment must set distinct goals for every year, and the exclusive use of allowed pesticides has to be achieved after one year.

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## 50. Certified Organic Operations

All certified organic operations fulfill the requirements under section 45 -49 (with the exception of 46.6 and 47) as long as their certification remains valid.

## 51. Requirements for Animal Husbandry and the Production of Animal Products

### ***51.1 Only Certified Organic Operations Admissible***

Only certified organic livestock operations are permitted under this standard. In addition, they have to fulfill the requirements below regarding in order to be able to properly manage nitrate, phosphate and other nutrients and to prevent run-off as much as possible. Therefore, stocking density may not exceed the following thresholds:

1. Cows including suckling calves: 1 cow per acre
2. Other cattle: up to 24 month old: 2.0 per acre, over 24 months old: 1.0 per acre
3. Pigs: 5 pigs per acre.

### ***51.2 Non-Organic Operations***

FairTSA will publish requirements for non-organic animal husbandry operations in a future version of this standard.

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## Buyers' Code of Conduct (Sections 52– 55)

### 52. Objective

The buyer code of conduct sets the standard for buyers of FairTSA products in their transactions with producers of FairTSA certified products and for their general conduct specifically with regard to their responsibility to the farmers and farmer groups that supply their products and a view toward consumers' expectations of FairTSA certified products.

### 53. General Considerations

#### 53.1. Trade Relationships

Buyers enter purchasing agreements for FairTSA certified products with sellers in a fair and professional manner with the goal of establishing a long-term but not exclusive relationship.

#### 53.2. Product Quality

Buyers have to be professional and forthcoming in all aspects of their purchase orders for commodities and semi-finished or finished products. Sellers have to deliver accurate product information and spec sheets as well as products that meet the specifications and requirements called for by the buyer.

#### 53.3. Support of a Fair and Environmentally Friendly Supply Chain

All buyers of FairTSA products are encouraged to actively support the establishment of a production, processing and distribution chain which is both socially just and ecologically responsible.

### 54. Sales and Purchase Contracts and Conditions

All contracts for FairTSA certified products have to contain at least the following:

- Product description and product quality requirements
- Exact delivery terms
- Agreed price (including the Fair Price portion)
- The Social Premium

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- A clause stipulating that the seller is first in line for outstanding payments of certified FairTSA products if the buyer encounters financial problems including but not limited to bankruptcy proceedings.

If buyer and seller customarily do business without written sales contracts, they shall sign an umbrella agreement containing the above requirements for all sales and purchase transactions relating to certified FairTSA products.

Buyer may not reject products delivered by the seller unless there are specific and documented product deficiencies. It is not acceptable for the buyer reject to decrease payment for products after their delivery based on additional quality requirements not specified before the delivery, unless the quality deficiencies are obvious and undisputed.

## **55. Advertising and Marketing of FairTSA Products**

### **55.1. Truth in Advertising and Marketing**

Advertising and marketing of FairTSA certified products is encouraged. However, such marketing and advertising has to convey messages and pictures that are relevant and reflect the buyer’s actual involvement with FairTSA certified products.

Advertising and marketing of FairTSA products may not be used to conceal or justify activities that violate labor laws, involve unregulated, unpaid or forced child labor, and are unnecessarily detrimental to the environment or in any other way in contradiction of the FairTSA principles. This provision relates also to regular suppliers or sub-contractors of the buyer.

### **55.2. Publication of FairTSA Trade Data**

FairTSA as the standard holder has the right to publish anonymous trade data as it sees fit.

In addition, both FairTSA and all buyers and sellers have the right to publish the data of FairTSA certified products as a share of the total sales of a buyer or seller of FairTSA certified products and/or as a share of their organic sales or purchases respectively.

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## Fair Trade Sustainability Alliance Standard for Wild Collection of Plants (Section 56)

### 56. Wild Collection of Plants

#### 56.1 Sustainability of Wild Collection

Any operation engaging in the wild collection of plants has to ensure the sustainability of the harvest and not endanger any collected plant species or any animal species dependent on the collected plants. Furthermore, the integrity of the collection area and the livelihood of other collectors in the area that collect wild plants for their own purposes must not be jeopardized.

Plants that are restricted or prohibited to be collected by national law must not be collected. Plants listed by the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES, [www.cites.org](http://www.cites.org)) as endangered must not be collected.

No prohibited pesticides may be applied in the collection area at least three years before the first harvest. This includes also plants collected in forests. The application of lime is permitted.

#### 56.2 Sustainability Plan

In order to establish the sustainability of the harvest, a plan has to be included with the inspection documents documenting the size of the collection area, estimated occurrence of the plant for wild collection and an annual harvest plan. In this plan collection activities of other persons have to be considered and at least estimated.

#### 56.3 Delineation of Wild Collection Area and Buffer Zones

All areas for wild collection have to be properly mapped (map scale 1:1000 or less). Potential sources of contamination (industrial facilities, cities or towns, etc.) have to be indicated on the map and appropriate buffer zones have to be delineated by the PAC. The minimum distance from sources of pollution such as major roadways, agricultural land, etc. in the wild collection area is 50 meters. Additional buffer zones have to be established by the PAC as necessary.

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#### **56.4 Radioactive Elements and Naturally Occurring High Concentrations of Heavy Metals in the Soil**

Areas with known natural or man-made occurrences of radioactive elements in the soil must not be used for wild collection, unless there are systematic annual analyses for the prevalent radioactive elements showing that there is no threat of pollution.

Areas with naturally occurring high concentrations of heavy metals are also excluded from being used for wild collection, unless continuous analyses establish that there is no risk of heavy metal contamination.

#### **56.5 Payment and Information Requirements**

All collectors of wild plants have to be instructed about the boundaries of the collection area, possible excluded areas, and the general requirements as stipulated in this section. Furthermore, each collector has to sign a contract that specifies, at minimum, the following:

- Payment basis for wild collected plants (amount payable per weight unit or similar)
- Quality requirements
- Payment has to be made in legal tender
- Payment terms, with payment for delivered products not later than 15 days after delivery of the plants.

In addition, each collector needs to sign a simple agreement outlining the requirements of this section and establishing that they will adhere to those requirements while collecting plants.

Rejection of product by the operation buying the wild collected plants needs to be made on a consistent basis in line with the previously established quality requirements

A complete list of collectors involved in the wild collection project, the agreements with the collectors, and documentation of payments made must be available at the buying operation's headquarters for inspection.

At each purchasing location for wild collected plants the following information has to be made public:

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- The method how to properly harvest the plants in question
- A copy of the map as described in section 54.3
- A summary of the requirements in this section.

**56.6 Transportation and Simple Processing (drying) on the Wild Collectors' Premises**

If wild collectors dry collected plants on their premises, the drying and storage room(s) have to be clean and suited for the purpose. Furthermore, the collector has to ensure that the plants in question are not polluted during the transportation, drying and storage process.

**56.7 Social and Labor Requirements and Working Conditions**

All applicable social, economic and labor and work place requirements laid down in this standard also apply for wild collection if and when applicable.

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## Fair Trade Sustainability Alliance Standard for Processed Food Products Labeling and Fair & Sustainable Partners (Sections 57 – 63)

### **57. Definition**

Processed Food Products are food products that either undergo some form of processing that is not an immediate post-harvest treatment such as cleaning, washing, drying or fermenting, and/or food products to which synthetic preservatives, processing aides or additional ingredients have been added. For example, under this definition the washing of coffee beans is not food processing, while treating raisins with sulfur dioxide for preservation or the manufacturing of a chocolate bar from several blended ingredients is considered a processed product.

### **58. Maintaining the Identity of FairTSA Products during Storage and Processing**

#### ***58.1 Prevention of Commingling***

All processors and handlers of FairTSA food products must prevent commingling of these products with other ingredients and products. Storage areas for FairTSA products have to be visibly marked as such. FairTSA products and ingredients may not be moved or stored in facilities without being enclosed in their proper packaging materials, unless it is necessary for the immediate processing of products. In this case, the operation has to be clearly able to identify the ingredients or products by appropriate means.

#### ***58.2 Batch or LOT Numbers***

All processed products with FairTSA ingredients must have a batch or lot number by which the ingredients used can be traced and the date of processing can be clearly identified.

#### ***58.3 Complete Accounting for FairTSA Products and Ingredients***

Each facility that handles or processes FairTSA products must be able to provide a complete quantitative balance of incoming and outgoing food products. In

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the case of processors and packers the recipes of the finished food products have to be made available for inspection so as to allow for a complete accounting of FairTSA ingredients and products during inspection.

## **59. Processing Aides, Preservatives and Food Product Ingredients**

### **59.1 Compliance with Legal Regulations**

All FairTSA certified processed food products have to comply with the legal regulations of the country or countries where they are manufactured, processed and sold. FairTSA or the PAC have the right to request the exact product composition and the spec sheets of all ingredients including processing aides, preservatives, and other ingredients.

### **59.2. Safe Alternatives if Possible**

The FairTSA standard is not only meant to ensure the social, economic, and environmental well-being of producers and workers, but also to foster the health and well-being of the consumers of FairTSA products. Therefore, processors and manufacturers shall always prefer the more natural, less processed and safer ingredient or processing aid.

### **59.3. Prohibited Processing Aides, Preservatives and Product Ingredients in Single or Multiple Ingredient Food Products**

Table No. 1 below lists all food additives and food ingredients that are prohibited under the FairTSA standard in addition to those not legally permitted. The list will be updated at least on an annual basis and in a timely manner if additional scientific knowledge requires amendments or changes.

The exclusion criteria for food additives and ingredients on this list are

1. Some or conclusive scientific evidence for potentially adverse effects
2. Insufficient testing.

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**Table 1: Prohibited Synthetic Processing Aids, Preservatives and Food Ingredients for Personal care products Labeled with the FairTSA Mark<sup>1</sup>**  
**Status: June1 2011**

<b>Name of Additive or Ingredient</b>	<b>Synonyms/Remarks</b>	<b>Function</b>
Acesulfame-K		Artificial Sweetener
AC*: Blue 1		Artificial Coloring
AC: Blue 2		Artificial Coloring
AC: Citrus Red 2	Only used for artificial coloring of some Florida oranges	
AC: Green 3		Artificial Coloring
AC: Red 3		Artificial Coloring
AC: Red 40		Artificial Coloring
AC: Yellow 6		Artificial Coloring
Aspartame	Equal, NutraSweet	Artificial Sweetener
Benzoic Acid		Preservative in fruit juices
Brominated Vegetable Oil (BVO)		Emulsifier, clouding agent
Butylated Hydroxyanisol (BHA)		Antioxidant used to retard rancidity in oils and fats
Butylated Hydroxytoluene (BHT)		Antioxidant used to retard rancidity in oils and fats
Heptyl Paraben		Preservative, especially in alcoholic beverages
Olestra	Olean	Synthetic substitute for fat
Polysorbate 60		Emulsifier

<sup>1</sup> This list was compiled mainly on the basis of the Center For Science in the Public Interest

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**Table 1 continued:**

<b>Name of Additive or Ingredient</b>	<b>Synonyms/Remarks</b>	<b>Function</b>
<u>Potassium Bromate</u>		Increases volume and enhances texture of bread
Propyl Gallate		Preservative
Sodium Benzoate		Preservative in fruit juices
Sodium Nitrate		Preservative (meat)
Sodium Nitrate		Preservative (meat)
Sulfur dioxide	Mainly for dried fruits	Preservative

\*AC = Artificial Coloring

## **60. Labeling of FairTSA Certified Processed Food Products**

### ***60.1 Minimum Contents for Products to be labeled with the FairTSA Fair Trade Mark***

#### **60.1.1 Single Ingredient Products or Products Exclusively with FairTSA Certified Ingredients**

Single ingredient products or products made exclusively with 100% FairTSA certified ingredients, excluding water and salt, may be labeled "100% FairTSA certified".

#### **60.1.2 Products with at Least 95% Fair Trade Certified Ingredients**

Products with at least 95% Fair Trade certified ingredients, excluding added water and salt, of which at least 50% must be certified under the FairTSA standard, may be labeled as "FairTSA Fair Trade" product. No food additive, preservative or ingredient listed in Table 1 in section 59.3 may be contained in such products. All Fair Trade certified ingredients must be marked in the ingredients panel with an asterisk or similar mark as such.

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### 60.1.3 Products with at least 35% Fair Trade Certified Ingredients

Products that contain at least a minimum of 35% Fair Trade certified ingredients and a minimum of 25% FairTSA Fair Trade certified ingredients total (excluding added water and salt) may be labeled as “made with FairTSA Fair Trade Ingredients”, provided that none of the food additives and ingredients listed in Table 1 are contained in the product, except that yoghurt with at least 10% fruit content may be labeled with the FairTSA “made with” mark, provided that all fruit content is FairTSA certified.

All FairTSA certified ingredients have to be marked as such, for example with an asterisk after the ingredient name with the explanation “FairTSA certified” or similar explanation, as the labeling law in the respective country permits.

### 60.1.4 Inspection of Labels

All labels for consumer packaging have to be inspected by the PAC before they are printed for the first time.

## 61. FairTSA Processed Food Products with Certified Organic Ingredients

### ***61.1 Food Products Labeled according to national Organic Legislations Standard of Canada for Organic Agriculture (NSCOA), or according to the EEC Regulation 834/2007***

Organic Products labeled according to the USDA NOP as “100% organic”, “organic”, or processed foods grown and processed according to EEC regulation 834/2007 and the National *Standard of Canada for Organic Agriculture* (NSCOA), qualify without further process inspection of the processing or packing facility for FairTSA certification, provided that the product composition complies with the FairTSA labeling rules as set forth in section 58 and the PAC receives a copy of the respective organic certificate. In such cases, only a minimal inspection verifying amounts and associated payments of FairTSA certified products has to be conducted.

### ***61.2 Other Mandatory Organic Programs***

FairTSA may include at its sole discretion processed food products labeled to other mandatory organic regulations under the provision in section 61.1

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### **61.3 Other Private Certification Standards**

Other private certification standards for food and processed food such as GlobalGAP may be accepted by FairTSA in lieu of an additional inspection. A manufacturer may apply to the FairTSA management for a decision on equivalency of such certification, and FairTSA's management has to issue a decision in the matter within a month.

## **62. Other Fair Trade and Social Responsibility Programs for Processed Products**

FairTSA will evaluate and determine the equivalency of other applicable standards for processed products and determine their equivalency if need arises or if other standard holders request determination of equivalency.

## **63. FairTSA Fair & Sustainable Partnerships**

Companies that commit themselves to the following principles may use the term "FairTSA Fair & Sustainable Partner":

1. They buy at least 5% of their products as Fair Trade certified, with a commitment to increase this percentage to at least 25% within 5 years
2. They institute a community project of their choice that represents at least 0.0005% of their sales, but not less than \$2,500 per year. In-house contributions by employees are encouraged and are counted as a financial contribution.
3. They commit to improving their overall operations with a view of using local resources, minimizing their carbon footprint, and instituting a policy for their employees that includes the following components:
  - Elimination of "hire and fire at will" contracts
  - Description of clear criteria for hiring and firing decisions
  - At la minimum a 1 month severance package, unless the respective employee was fired for just cause.

Companies that commit to the above principles and buy at least 50% of their products as fair Trade certified may use the term "FairTSA Fair & Sustainable Partner GOLD".

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## 64. GLOSSARY

**Collective:** A group of non-incorporated farmers that have some kind of common organization with the goal to produce and market at least some of their products as one entity.

**Community Development Service:** A service that FairTSA establishes in order to support operations and the communities around them.

**Cooperative:** A group of farmers that produces and markets its products mostly as one entity and is legally incorporated.

**Document:** Information-containing media. The media may be paper, photos, samples, or electronic media such as optic or magnetic discs.

**Discrimination:** According to the International Labor Organization (ILO) a the definition is "Any distinction, exclusion, or preference based on race, color, gender, religion, political opinion, nationality or social origin that causes equality of opportunity or treatment in employment or work to be lifted or reduced."

**Ecosystem:** A system of one or more biological communities and the physical media representing the habitats of the biological communities in a delineated area.

**Endangered Species:** A species of fauna or flora indicated as threatened or endangered in applicable local, regional or national laws.  
(<http://www.iucnredlist.org>).

**Erosion:** The displacement of soil caused by the movement of water or wind.

**FairTSA Supporting Partner:** A processor or trader who buys from several or many independent small producers and assists in the organization and the set-up of the Community Project for said small producers

**Farm:** An agricultural unit owned by an individual or a corporation.

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**GMO or Genetically Modified Organism:** In the context of this standard it is any living organism that possesses a combination of genetic materials from different species or different taxonomic families created by genetic engineering such as in vitro nucleic acid techniques, cell fusion etc.

**Grower group:** A group of farmers legally organized as a cooperative or having all distinguishing features of a legal cooperative.

**Maximum Contaminant Level:** The maximum allowed level of a pesticide (or other pollutant) pursuant to the relevant law in a certain country.

**Minimum Price:** the lowest price determined by FairTSA's management for selected products that a buyer has to pay the producer. This price is published in the Product Registry for the

**Natural Water Body:** Any lake, pond, lagoon, river, stream, brook and other body of water that exists naturally.

**Non-compliance:** The established and properly documented fact of violation of this standard by a FairTSA certified entity.

**Pesticides:** In context of this standard, synthetic chemicals used in agriculture to destroy insects, fungi, bacteria, pests, and weeds such as pesticides, herbicides, and fungicides. Sometimes the meaning of "pesticides" includes synthetic fertilizers to regulate plant growth such as synthetic ammonia. If synthetic fertilizers are meant, they are specifically named.

**Protected Area:** Land or property under legal protection in order to conserve or protect biodiversity, endangered species or a combination of both.

**Operation:** A farm or a processing entity owned by an individual, a cooperation, a corporation or a group of non-incorporated farmers (see also collective).

**Organic fertilizer:** A fertilizer from plant or animal material where the nutrients are bonded within the organic matter and some naturally occurring chemical breakdown must happen to release the plant nutrients.

**Pesticide:** A pesticide is any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest. Pests can be insects, mice and other animals, unwanted plants (weeds), fungi, or microorganisms like

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bacteria and viruses. Though often misunderstood to refer only to *insecticides*, the term pesticide also applies to herbicides, fungicides, and various other substances used to control pests. Under United States law, a pesticide is also any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant. (Official EPA definition)

**Product Registry or FairTSA Product Registry:** The Product Registry contains all additional requirements regarding the cultivation of certain agricultural products and the Minimum Price, if applicable.

**Social Premium:** This is a surcharge that a buyer of FairTSA certified products pays to FairTSA directly. FairTSA then distributes the Social Premiums as defined in the Economic Section, No. 2 and further explained in Appendix A.

**Synthetic fertilizer:** A fertilizer produced by the application of an industrial chemical process.

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## Appendix A:

Generally, all pesticides on the Pesticide Action Networks' (PAN) Highly Hazardous Pesticides list, compiled by PAN Germany for PAN International, are prohibited. The newest version of this list, published on 12/10/2010 can be downloaded at [http://www.pan-germany.org/download/PAN\\_HHP-List\\_101216.pdf](http://www.pan-germany.org/download/PAN_HHP-List_101216.pdf)

The latest version of this list as amended from time to time is hereby made part and parcel of this standard.

If an operation has the need to use one of the pesticides on that list, they may appeal to FairTSA's management for an exception. All exceptions granted will have time limits. In addition, FairTSA may request regular residue testing and require residue levels below the legally acceptable ones.

In case of severe weather events, natural disasters or other exceptional events, FairTSA may at its sole discretion determine that blanket permissions for a group or groups of pesticides are warranted. In this case, too, FairTSA may request regular residue testing and require residue levels below the legally acceptable ones.

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