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FAIR FOR LIFE SOCIAL & FAIR TRADE CERTIFICATION PROGRAMME

Version December 2013



The programme, plus all its control modules, as well as further information on “For Life” - Social Responsibility and “Fair for Life” - Social & Fair Trade certification are published on www.fairforlife.org. In the subsection “certified operators” all companies certified according to this programme are listed with their standard performance and the evaluation of their social impact.

Comments and suggestions about the contents of this document can be sent by email to revision@fairforlife.org.

Fair for Life Certification Programme December 2013

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Table of Content

0 OBJECTIVES, CONTEXT AND SCOPE.....	4
0.1 FAIR FOR LIFE OBJECTIVES	4
0.2 SCOPE AND CERTIFICATION OPTIONS	5
0.3 CONTEXT AND REFERENCE TO OTHER STANDARDS.....	6
0.4 STANDARD SETTING AND GOVERNANCE	7
0.5 FAIR FOR LIFE STANDARD STRUCTURE	7
1 LABELLING AND CONTROL REQUIREMENTS.....	8
1.1 LABELLING REQUIREMENTS.....	8
1.2 CONTROL PROCEDURES.....	8
1.2.1 FAIR FOR LIFE AND FOR LIFE PRODUCER COMPANIES	8
1.2.2 FAIR FOR LIFE HANDLING OPERATIONS.....	9
2 CRITERIA FOR HIRED LABOUR OPERATIONS.....	10
2.1 BASIC RIGHTS OF ALL WORKERS.....	10
2.2 CONDITIONS OF EMPLOYMENT	11
2.3 SOCIAL RESPONSIBILITY AND COMMUNITY RELATIONS	13
2.4 ENVIRONMENTAL ASPECTS.....	14
2.5 FAIR FOR LIFE FAIRTRADE CRITERIA.....	14
3 CRITERIA FOR PRODUCER GROUPS	16
3.1 ORGANISATION OF THE GROUP	16
3.2 WORKING CONDITIONS ON PRODUCER FARMS.....	17
3.3 LABOUR CONDITIONS FOR PRODUCER GROUP STAFF	17
3.4 SOCIAL RESPONSIBILITY AND COMMUNITY RELATIONS	18
3.5 ENVIRONMENTAL ASPECTS.....	19
3.6 FAIR FOR LIFE FAIRTRADE CRITERIA.....	19
4 CRITERIA FOR HANDLING OPERATIONS.....	21
4.1 FAIR FOR LIFE HANDLING CRITERIA (ALL HANDLERS).....	21
4.2 ADDITIONAL CRITERIA FOR BUYING FROM FAIRTRADE PRODUCER OPERATIONS	22
4.3 SOCIAL RESPONSIBILITY (ALL CERTIFIED HANDLERS)	23
4.4 REQUIREMENTS FOR INTERMEDIATE AND CONTRACTED HANDLING OPERATIONS.....	23
5 CRITERIA FOR OTHER OPERATIONS.....	24
TERMS AND DEFINITIONS	25
ACRONYMS AND ABBREVIATIONS.....	26

Preamble

The Fair for Life Social & Fair Trade Certification Programme was developed by the Swiss Bio-Foundation for IMO in response to various customer requests concerning the lack of applicability and breadth of existing fair trade and social responsibility certification schemes to a wide range of products, production situations and trade relations.

The programme is public and the input of various actors in the industry as well as other experts and stakeholders has been considered following the guidance of the ISEAL Code of Good Practice and Guidance for Setting Social and Environmental Standards.

For Life - Social Responsibility certification confirms that workers enjoy fair and safe working conditions covering all key labour aspects from core ILO workers rights to good employment conditions. It also evaluates the operator's overall environmental performance and its role and impact in the local community. For Life Certification confirms that a company is committed to act as a responsible employer and promoter of sustainable practices and that producer groups have transparent internal structures with fair relations to producers.

Fair for Life Fair Trade certification includes all Social Responsibility standards with fair working conditions, environmental performance and community relations, but focuses additionally on fair trade relationships, fair prices and direct support of marginalised groups by means of a Fair Trade Development Fund. Fair for Life Fair Trade means long-term and trusting cooperation between partners, transparent price setting negotiations and prices, including a Fair Trade Premium, that allow for social development of the concerned communities. A Fair Trade Policy defines the beneficiaries of Fair Trade and confirms the social commitment of the production company.

"For Life" and "Fair for Life" certifications are open to a wide field of operations and production systems that wish to demonstrate their outstanding Social Responsibility or Social & Fair Trade performance.

Fair for Life certified products are fair for all. They are only handled by companies who demonstrate decent working conditions for all their staff. Fair for Life brand holder companies commit to fair sourcing practices and responsibilities towards their primary producers down the commodity chain. Fair for Life certification of products also confirms traceability of all certified products from production to sales.

Prologue to the 2013 Version of the Programme

Since 2006, various producer groups, plantation operators, manufacturers and buyers world-wide have been audited and certified according to the Fair for Life Social & Fair Trade Certification Programme. The experiences gained during programme implementation in an increasingly wide field of companies and actors as well as feedback from many different experts in the field of fair trade, Corporate Social Responsibility and GAP analyses with other standards in the same field led to a complete revision of this programme in 2011.

In respect of the principles of the ISEAL Code of Good Practice for Setting Social and Environmental Standards, (P005, Version 5.01 – April 2010), comments were invited and considered from a wide range of stakeholders through public consultation in two consultation rounds. Continued comments from stakeholders are welcome. Since 2011 onwards the programme is split into a main standard document (the Fair for Life Certification Programme) with separate control modules that contain the detailed compliance criteria and standard guidance for different types of operations.

In 2013, the Fair for Life module 1 (Labelling and Control) and Module 4 (Fair for Life handling) were revised in a Minor Standard revision process, again in 2 rounds of public consultations. The Fair for Life programme was updated accordingly.

The new version of the programme is valid from May 2014 onwards and will be used for all audits from that date onwards. Operations that are already certified will have a transition period of 1 year (until January 2015) to implement the new minimum requirements that have been introduced in this 2011 version.

0 OBJECTIVES, CONTEXT AND SCOPE

0.1 FAIR FOR LIFE OBJECTIVES

The Fair for Life Certification Programme strives to achieve the following objectives:

1. Fair for Life aims to support marginalised producers and workers worldwide to market their products under Fair Trade conditions, in particular smallholder producers who do not yet have access to the existing Fair Trade market.

Therefore, Fair for Life offers a Social & Fair Trade certification option for ALL types of production, manufacturing and handling operations world-wide that wish to demonstrate their commitment to good working conditions, improving the livelihoods of marginalised producers and workers, engaging in their local community and their care for the environment.

2. Real and sustainable change in fair working conditions, Fair Trade practices and environmental responsibility require long term commitment and are gradual. Fair for Life therefore seeks to provide incentives for continuous improvement beyond compliance with set minimum standard requirements by a performance rating system. Minimum criteria are stringent to ensure a consistent implementation of high standards world-wide.

The rating approach shall also enable companies to develop their own priorities of fields where they wish to be leaders and demonstrate outstanding achievements while always meeting high international expectations with regard to all key aspects of Social Responsibility and Fair Trade.

3. Fair for Life endorses the values of sustainable production and Corporate Social Responsibility. For this reason, it also includes comprehensive performance criteria covering good community relations, environmental aspects, local and indigenous peoples' rights and animal welfare.

4. Fair for Life goes beyond traditional fair trade by applying Fair Trade principles also to relevant domestic or regional trade and by requiring ethical working conditions along the entire trade chain – Fair Trade shall be “fair for all”.

Fair for Life certification has originally focused on producers in so-called ‘developing countries’, but the programme’s scope has never been restricted to developing countries alone, because marginalisation in the respective local setting can also be found in the so-called “developed” world. Working conditions of workers and the survival of small traditional farming structures in these countries have become a matter of increasing concern. In addition, Fair for Life considers local sourcing efforts as an important contribution towards sustainable development and hence supports devoted Fair Trade companies that source at least a part of their raw materials from local Fair Trade small scale producers or entrepreneurs with outstanding ethical commitment. External verification of Fair Trade practices ensures a consistent implementation of expected Fair for Life Fair Trade practices in these local or regional supply chains.

5. In an increasingly large, complex and multi-interest fair trade movement, Fair for Life gives Fair Trade actors a choice of values. It allows for a combination of different initiatives and certification schemes in the overall ethical and Fair Trade sourcing programme of a company.

6. Fair for Life seeks to improve the accountability of fair trade claims by companies by offering external annual verification and the certification of products and supply chains that have previously been excluded from fair trade certification. As such these claims have relied upon the company's own principles and were without any external control to ensure independent verification of the claims made. Fair for Life is flexible enough that it permits brands to externally validate and – if the requirements are met – confirm their fair production and trade claims.

7. Fair for Life aims to ensure adequate transparency and makes all basic information on the performance and achievements of certified companies publicly available. This allows buyers and consumers to make an informed choice according to their own preferences and values. Every certified operation is published on the Fair for Life website with an overview of their rating results together with information on the companies' particular achievements, use of the Fair Trade Development Premium and Social & Fair Trade activities.

8. For Life - Social Responsibility certification provides an option for companies world-wide to demonstrate to a variety of ethically responsible buyers their respect of labour rights, good working conditions and responsible environmental practices. Certification contracts demonstrate the companies' continuous commitment to the standards. This is affirmed by complete annual external verification and confirmed with certificates of compliance. The detailed information provided in the audit report provides verified evidence of good social practices as relevant for different ethical sourcing schemes.

0.2 SCOPE AND CERTIFICATION OPTIONS

The Fair for Life programme as a generic Social & Fair Trade Certification Programme is applicable to a wide range of products and production systems.

It allows certification of companies as well as products. For product labelling the following product groups can be certified under the programme:

- All agricultural products (plant or livestock based, including bee products)
- Aquaculture products
- All wild collected plants, fungus or lichen
- Cosmetic and beauty products
- Textiles
- Artisanal products
- Tourist services
- Small scale mining products

As the programme is generic for different operator types, it may also be applied to other products with minimal adaptations, if needed.

Certification applicants have two basic certification options:

For Life – Social Responsibility Certification	
Content	<ul style="list-style-type: none"> • Basic labour rights as expressed in the ILO conventions • Safe working conditions • Good employment conditions for all workers • Commitment to Social Responsibility and a positive role in the local community • Efforts to monitor and improve environmental performance <p>For producer groups: accountable structures, fair relations with producers</p>
Scope	<p><u>For Life – Social Responsibility company certification</u> is applicable to any operation worldwide that has hired labour and wishes to demonstrate good employment practices, independent of the source or certification status of the raw materials used. Company certification means that the company and its employment practices are certified, but its products are not.</p> <p><u>For Life product certification</u> is possible if the raw materials used originate from socially responsible production.</p>

Fair for Life – Social & Fair Trade Certification	
Content	<p><u>Fair for Life producer certification:</u></p> <ul style="list-style-type: none"> • All Social Responsibility principles such as workers rights, good employment conditions, community relations, environmental responsibility • Fair trade relations, pricing and a Development Premium for social change <p><u>Fair for Life handler certification</u> for traders of Fair for Life and other fair trade products</p> <ul style="list-style-type: none"> • Confirms commitment to long-term trade relationship and cooperation with producers, fair prices and payment of a Fair for Life Development Premium. • Social Responsibility criteria such as good working conditions and commitment to good environmental performance.
Scope	<p>Fair for Life certification is offered to eligible operations worldwide.</p> <p><i>Any hired labour operations as well as producer groups in developed countries must demonstrate their commitment to social change and expected benefits for marginalised workers or other marginalised target groups during the application process.</i></p> <p>Fair for Life certification is only offered as product certification, i.e. an operation can only become certified if producing or handling Fair Trade certified products.</p>
Comments	<p>Fair for Life – Social & Fair Trade producer certification is mainly designed for low-income producer groups and workers in developing and emerging countries, as Fair Trade clearly aims at the improvement of the social conditions of the most disadvantaged groups in production. The primary intended beneficiaries are groups of smallholder farmers in developing countries. Plantations and manufacturers with a commitment to worker empowerment and that focus on improving the lives of marginalised workers and their communities can also apply for Fair for Life certification.</p> <p>Fair for Life Fair Trade certification in developed countries is possible if a well developed and adapted Fair Trade project concept can be presented.</p> <p>A Fair Trade Policy defines the overall Fair Trade focus for the respective production situation, based on analysis of the social groups most in need of additional support through Fair Trade and a Fair Trade Development Premium. The Fair Trade focus and target beneficiaries of Fair Trade in different operational settings are explained in detail in the Fair for Life Fair Trade chapter in each module, e.g. Module 2 for hired labour operations or Module 3 for producer groups.</p>

The programme has control modules which define the principles, criteria and performance indicators for different types of operators, e.g. producer groups, producers with hired labour, wild collection operations and handlers of Fair for Life certified products.

The control modules for different operation types are presented as separate documents. The Principles and criteria of the core modules 1 to 4 are presented in sections 1 to 4 of this document with an overview on other control modules in chapter 5.

0.3 CONTEXT AND REFERENCE TO OTHER STANDARDS

The programme is based on existing baseline standards such as ILO conventions, FLO standards, SA 8000 and the ETI Base Code. It comprises the recommendations on social standards as elaborated by the ISEAL SASA project and the IFOAM Social Standard Verification Project.

The Rainforest Alliance Sustainable Agriculture Standards, the Code of the Union for Ethical Bioproducts, the World Fairtrade Organisation WFTO 10 Principles on Fairtrade, the International Labour Rights Forum's 2009 Roadmap for Ethical Product Certification and Standard Setting Initiatives as well as the Soil Association Ethical Trade Programme and Ecocert Fairtrade Standards were also reviewed to develop balanced and harmonised positions on selected key issues.

Detailed references to other standards used in the development of Fair for Life certification requirements are given in each module.

Fair for Life adopts an equivalence approach towards other existing social and fair trade certification schemes, wherever the standards cover the same overall principles and the control measures applied are comparable. With regard to responsible production practices, Fair for Life accepts various schemes as adequate proof of organic or good agricultural practices.

0.4 STANDARD SETTING AND GOVERNANCE

The Fair for Life programme is owned by the Swiss Bio-Foundation, which is responsible for the coordination of all programme development and revision processes. The Bio-Foundation has mandated world-wide programme implementation through the certification services of the not-for-profit international certification service provider Institute for Marketecology (IMO).

Like all other standards, the Fair for Life programme must be updated and revised at regular intervals to account for all new developments and requirements in the field of Social Responsibility, fair and ethical trading and environmental sustainability and sensitivity of production, processing and trade. For this purpose, the Bio-Foundation, in co-operation with IMO and the Fair for Life Standard Committee, carries out regular programme revisions.

The revision process was based on public international multi-stakeholder consultation. In respect of the principles of the ISEAL Code of Good Practice for Setting Social and Environmental Standards, (P005, Version 5.01 – April 2010), comments were invited and considered from a wide range of stakeholders through public consultation in two consultation rounds. Standard setting procedures are detailed in a separate document.

0.5 FAIR FOR LIFE STANDARD STRUCTURE

The Fair for Life Certification Programme sets high requirements for Social Responsibility and Fair Trade performance. In section 1, control and labelling standards are presented. In section 2-4 of this document the principles and criteria for the three main operation types are listed: hired labour producer operations, producer group operations and handling operations.

The separate control modules of this programme contain all applicable principles and criteria for each operation type with guidance texts that allow for the better understanding of the criteria. Performance indicators for all criteria allow the objective and consistent assessment of performance. They are the control points against which an operation will be assessed during the Fair for Life audit as the basis for certification.

Each performance indicator defines the norm for good practice (rating level 2) and indicates also two levels of compliance below the norm (0 = very poor and 1 = rather poor performance), and two levels of performance beyond the norm (3 = very good and 4 = outstanding performance). Some criteria are minimum criteria (M) and must always be fulfilled for certification. Detailed information to understand the rating system is included in every control module.

1 LABELLING AND CONTROL REQUIREMENTS

1.1 LABELLING REQUIREMENTS

The labelling requirements for products certified under the Fair for Life Certification Programme can be seen in the following table.

Labelling requirements for For Life and Fair for Life Certified Products	
Use of Label and References to Certification	<p>Use of the Fair for Life seal or the For Life seal and other references to Fair for Life certification on products is only permitted on certified products and by companies certified under the Fair for Life programme.</p> <p>There are two basic labelling categories under the Fair for Life programme:</p> <ul style="list-style-type: none"> • Fair for Life / For Life certified products which consist entirely or predominantly of Fair Trade / Social Responsibility certified ingredients • Products made with Fair for Life certified ingredients which contain a substantial amount of certified materials but do not meet the minimum requirements for Fair for Life certified products. <p>There is also the option to only indicate certified ingredients in the ingredient statement of a product.</p> <p>Detailed labelling rules and restrictions are indicated in Module 1.</p>
Origin of Raw Material	<p>The agricultural ingredients are certified Fair Trade or Social Responsibility origin. Module 1 contains the minimum content composition rules for different product types (e.g. food products, cosmetics, textiles).</p>
Processing and Handling	<p>Fair for Life and For Life certified products are traded along the chain of custody by certified or registered handlers. Certified handlers of Fair for Life Fair Trade certified products and For Life certified handlers ensure decent working conditions for their workers and adhere to the principles of Fair Trade sourcing.</p> <p><i>Chain of custody requirements for different labelling categories and labelling options (For Life, Fair for Life) are described in detail in Module 1.</i></p>
Traceability	<p>Fair Trade or Social Responsibility certified ingredients are traceable and kept separate from non-Fair Trade / Social Responsibility certified products.</p>

1.2 CONTROL PROCEDURES

All Fair for Life Fair Trade producers commit to an annual complete audit and certification of their activities against the applicable Fair for Life certification module. They also commit to grant the certification body unrestricted access to facilities, documentation and confidential interviews with workers and staff.

Audit and certification procedures are described in detail in Module 1. The following summary provides an overview of the process:

1.2.1 Fair for Life and For Life Producer Companies

- Application for certification by submitting necessary details on operation, confirmation of the certification budget and transfer of required pre-payment. A Social and Fair Trade certification contract is signed.

- The applicant prepares for certification by self-assessment against the standard requirements and correction of major shortcomings, development of required documentation, etc. The operator also has to complete an operator profile describing the working conditions and activities in detail.
- Annual complete on-site audit of the production and manufacturing process, wherever possible in combination with audits for other schemes, e.g. organic or GOTS.
- Audits are performed by specifically trained and experienced auditors. All information obtained is handled as strictly confidential.
- The audit of a hired labour operation (estate, factory, etc.) includes a physical inspection of production facilities, interviews with management, confidential interviews with a substantial number of workers, review of staff files, production records and other documents.
- The audit of a producer group includes visits to producers, interviews with their group representatives, visits to any group operation processing facilities and their workers, review of Internal Control System documentation and policies.
- At the end of the audit, the audit report is completed and audit findings are discussed. The report is then further elaborated electronically by auditor and evaluated by another expert. The certification decision is communicated in a notification letter and a summary assessment. The company also receives the final official audit report and, in case of satisfactory performance, a certificate. The applicant has the right to appeal against the decision.
- Certified operations are published on the website www.fairforlife.org including their overall performance rating and evaluation of social impact. All information as published on the website is included in the summary assessment and the certified operation has the right to request corrections in any information published.
- After certification, certified operations are expected to continuously improve their performance and work on any deficiencies or conditions as outlined in the summary assessment. As a standard procedure, a new full audit is required each year for update of certification; see Module 1 for exceptions for long term well performing operations.

1.2.2 Fair for Life Handling Operations

Fair for Life Fair Trade buyers and brand holders; any other handlers seeking Fair for Life certification:

- All Fair Trade buyers buying from Fair Trade producer operations and all Fair for Life brand holder companies who wish to market products as Fair for Life certified, must become certified as Fair for Life handling operations. See Module 1 for details and exceptions.
- In the audit, compliance with the applicable Fair Trade handling requirements (Module 4) is evaluated by means of interviews with management and different employees, verification of the product handling data system, documentary checks of invoices, purchase contracts, Memorandums of Understanding or other agreements as well as communication with suppliers.
- The audit furthermore comprises a verification of responsible employment conditions by means of a Responsible Labour Practices audit or a For Life – Social responsibility audit with a physical inspection of production facilities, interviews with management, confidential interviews with a substantial number of workers, review of staff files, production records and other documents. Alternatively, other proofs of fair working conditions are reviewed during the audit. See Module 4 for details.
- At the end of the audit, the audit report is completed and audit findings are discussed. The report is then further elaborated electronically by auditor and evaluated by another expert. The certification decision is communicated in a notification letter and a summary assessment. The company also receives the final official audit report and, in case of satisfactory performance, a certificate. The applicant has the right to appeal against the decision.
- Certified operations are published on the website www.fairforlife.org including their overall performance rating and evaluation of social impact. All information as published on the website is included in the summary assessment and the certified operation has the right to request corrections in any information published.
- Intermediate and contracted traders are subject to registration and must demonstrate traceability as well as decent working conditions. See Module 1 for details.

2 CRITERIA FOR HIRED LABOUR OPERATIONS

Module 2: Hired Labour Standards - Applicability		
Operations	Any company with hired labour, e.g. plantation, processing company	
Products	Any agricultural product, apiculture products, aquaculture products	
Certification Options	For Life Social Responsibility	<p>Any company worldwide for company certification (no products certified).</p> <p>Agricultural producer companies, e.g. plantations for product certification.</p> <p>Handling companies trading Fair Trade or Social Responsibility certified products</p> <p><i>For other products to be certified, individual assessment of eligibility is required; raw materials used must originate from Social Responsibility certified origin.</i></p>
	Fair for Life Social & Fair Trade	<p>Eligible primary production company with hired labour, e.g. Fair Trade plantations with their associated processing unit.</p> <p><i>Certification is restricted to highly committed and dedicated hired labour companies that are interested in promoting social change and the empowerment of workers. They need to be able to demonstrate expected benefits of Fair Trade for marginalised workers or communities, beyond providing good working conditions – See Module 2.</i></p> <p><i>Processors of Fair Trade products further up the supply chains are covered as Fair for Life handling operations – See Module 4.</i></p>

2.1 BASIC RIGHTS OF ALL WORKERS

Principle 2.1.1 There is no forced or bonded labour in line with ILO Convention 29 and 105.

- a) The company must not retain any part of workers' salary, benefits, property or documents in order to force workers to remain on the operation.
- b) The company must also refrain from any form of physical or psychological pressure requiring workers to remain employed in the operation.
- c) Spouses and children of contracted workers are not compelled to work in the operation.

Principle 2.1.2 Workers have the right to organise themselves and bargain collectively.

- a) Workers, without distinction, have the right to join or form workers' organisations of their own choosing and to bargain collectively unless restricted by law, as required by ILO Conventions 87 and 98.
- b) The employer adopts a neutral attitude towards the activities of workers organisations and their organisational activities. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- c) Where the right to freedom of association and collective bargaining is restricted by law, the employer facilitates and does not hinder the development of parallel means for independent and free association and bargaining.
- d) Employers seek dialogue and regular communication with their workers and have procedures through which workers can raise grievances or complaints to the company as well as the certification body without fear of being penalised.

Principle 2.1.3 No children under 15 years work in the operation. Young workers never perform any work that is hazardous or that could jeopardize their emotional, social or physical development.

- a) Children (<15 years) are not employed and shall not work in the operation.
- b) Young workers (15-17 years) shall not perform work that is hazardous or dangerous to their health and safety or that could jeopardise their educational, emotional, social and physical development.
- c) Young workers who are attending school shall be limited to a total of 10 hours a day including school, work and transportation. Workers who are not attending school shall work for a maximum of eight hours a day. Total work hours must not exceed 42 hours per week and must include one rest day out of every seven.

Principle 2.1.4 Disciplinary measures are fair, adequate and do not violate human rights.

- a) Management does not engage in, support or tolerate corporal punishment, verbal or physical coercion or other forms of intimidation. Workers shall not be punished or disciplined as a group for mistakes of individuals.
- b) Disciplinary measures are clearly handled and transparent for the workers.
- c) Deductions from wages as a disciplinary measure are not permitted except as provided for by national law or with permission of the worker concerned.

Principle 2.1.5 The company ensures equal and respectful treatment of all workers in all matters.

- a) There shall be no discrimination in hiring, compensation, access to training, promotion, termination, benefits or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, HIV / Aids, union membership or political affiliation.
- b) Discrimination against pregnant women is not accepted and the rights of pregnant women and new mothers must be respected.
- c) Sexual harassment is not tolerated.

Principle 2.1.6 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

- a) Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work. To the extent reasonably practicable, these steps minimise the causes of hazards inherent in the working environment and include precautionary measures such as fire drills.
- b) Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers. The company shall assign responsibility for health and safety to a senior management representative.
- c) Free access to clean toilet facilities and to potable water and food consuming areas shall be provided. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

2.2 CONDITIONS OF EMPLOYMENT

Principle 2.2.1 The relationship between employer and workers is well defined and efforts are taken to create a positive working atmosphere.

- a) There is a written contract or comparable type of written agreement on employment conditions such as job position, working hours, overtime regulation, social benefits entitlement and deductions, annual paid leave and sick days as well as provisions on termination of employment.
- b) The employer shall develop a corporate self-understanding of partnership with the workers and do his / her best to create a positive working atmosphere.

- c) The company keeps a complete register of workers and ensures that they are legally registered as required by law.

Principle 2.2.2 Workers receive a fair remuneration for their work and are paid at least a wage that allows them to meet basic needs and have some discretionary income.

- a) Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event, wages should always be enough to meet the basic needs of the workers and their families including some discretionary income.
- b) The employer pays workers for any time spent in required meetings and training sessions and for other unproductive time due to conditions beyond their control (such as occupational health and safety measures).
- c) If payment is provided (e.g. partly) in kind, such as e.g. accommodation or food, the workers can choose freely between in-kind and cash payments and costs for the service provided are fair.
- d) Payments are well documented and the workers receive particulars of their wage every time they are paid.

Principle 2.2.3 The company supports adequate schemes to promote worker's social security and welfare.

- a) The employer shall comply with all legal obligations regarding social benefits for its workers.
- b) Even if not required by law, Fair for Life companies must provide their workers' access to adequate schemes to support the workers' social security and welfare such as in particular a retirement plan / provident fund, health insurance / medical care, paid sick leave and maternity leave.
- c) Companies shall strive to provide further social security and benefits such as unemployment insurance / compensation in case they are made redundant, protection against permanent disability or death arising out of or in the course of employment and are encouraged to provide further benefits such as child care leave for men and women, etc.
- d) Also temporary workers shall have access to basic social security schemes wherever possible, in particular contribution to retirement schemes, protection in case of invalidity and access to medical care.

Principle 2.2.4 Working hours are not excessive and workers get paid national holiday and annual leave.

- a) Working hours comply with national laws or benchmark industry standards, which ever offers higher protection. Usual working hours shall not exceed 48 hours per week and workers shall be provided with at least one day off for every 7 day period.
- b) Overtime shall be voluntary, with total working hours not exceeding 60 hours per week. Overtime must not be demanded on a regular basis and must be compensated at a premium rate.
- c) Working hour restrictions for women workers are respected (in line with ILO Convention 89 and Protocol 89 on Night Work of Women).
- d) Adequate rest breaks (for heavy or dangerous work allow longer and more frequent breaks) shall be given.
- e) Workers are entitled to paid national holidays and paid annual leave.

Principle 2.2.5 The operation strives to provide regular employment.

- a) The social focus and commitment to improved working conditions shall also specifically include any seasonal, migrant and temporary workers, who are often those with the weakest bargaining position and the most marginalised social group in the local setting.
- b) To the extent possible work shall be based on recognised employment relationship, i.e. regular, non-seasonal work shall be undertaken by permanent workers. Time-limited contracts and daily waged labourers shall only be used during peak periods, for special tasks or under special circumstances.
- c) Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-

contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

2.3 SOCIAL RESPONSIBILITY AND COMMUNITY RELATIONS

Principle 2.3.1 The operation commits to fair working conditions and Social Responsibility and takes the necessary management steps to ensure continuous compliance with the Fair for Life standards and improvement of performance.

- a) The company has a Social Responsibility Policy or Social & Fair Trade Policy (depending on certification scope) that details its commitment to complying with labour laws and the Fair for Life requirements indicated in this programme and its continuous improvement of performance. The policy shall confirm commitment to fair working conditions and good relations between workers. Ideally, the Social Policy is developed in close cooperation with workers.
- b) The Social Responsibility Policy or Social & Fair Trade Policy is documented, implemented and communicated. It is accessible in a comprehensive form (workers language) to all personnel, including executives, supervisors and all other workers. It shall also be made publicly available, preferably on the company's website. The policy is reviewed regularly and revised when necessary.
- c) The company shall appoint a representative with sufficient management power who shall ensure that the Fair for Life certification requirements are met. The company shall encourage non-management staff to choose a representative from their own group to facilitate communication with company management on matters related to Fair for Life certification. This representative shall be involved during social audits.
- d) All labour and environmental performance related documentation must be kept available for at least 3 years.
- e) The company openly presents and communicates its activities to the community and society in which it operates.
- f) The operation shall inform its workers - and the workers' organisations that represent them - of any plans for changes in management activities or organisational structure with any potentially significant social, environmental and economic impact and shall strive to mitigate negative impact for workers.

Principle 2.3.2 The operations play a positive role in the sustainable development of the communities and societies in which they operate. Companies are expected to make positive social and cultural contributions beyond legal obligations.

- a) The operation employs and trains staff from the local community.
- b) The operation strives to support social, cultural and environmental community projects and activities as well as international or local Social Responsibility or fair trade movements.
- c) The company's activities and efforts in the local community do not have a negative impact on local / indigenous communities, on the environment or on local sustainable development.

Principle 2.3.3 Rights of local and indigenous peoples are respected.

- a) The operation must have a legitimate right to land use and legal tenure. Disputes on land must be resolved responsibly and transparently before certification can be granted.
- b) If biodiversity resources are used commercially, efforts are taken to ensure the use of biodiversity and traditional knowledge is recognised, transparently negotiated with local peoples and adequately compensated.

Principle 2.3.4 Animal rights are respected.

- a) Hunting and trafficking of protected wild animals listed in the CITES Annex I and trafficking of animal parts originating from protected animals or products that are derived from such animals or animal parts

is not practiced. Species listed in CITES Annexes II and III shall be traded according to the CITES regulations.

- b) Companies do not test their products on animals.

2.4 ENVIRONMENTAL ASPECTS

Principle 2.4.1 The operation takes care to ensure rational use of water and minimise consumption. Contamination of groundwater and surface water bodies as well as air pollution is minimised.

- a) The operation practices adequate water use and minimises water usage.
- b) Ground water contamination and contamination of surface water bodies is monitored and minimised.
- c) Air pollution is minimised.

Principle 2.4.2 The operation strives to minimise and mitigate climate change. Energy consumption is monitored and minimised with renewable energy sources being used where possible.

- a) Energy consumption is monitored and appropriate steps are taken to minimise consumption and use sustainable renewable energy sources wherever possible.

Principle 2.4.3 Threatened or endangered species and habitats are protected and natural ecosystems are not destroyed.

- a) Endangered or rare habitats and near threatened, vulnerable, endangered or critically endangered species of fauna and flora are known and adequately protected.
- b) Natural land or aquatic ecosystems are not destroyed.
- c) Genetic diversity and biodiversity is promoted. Production of genetically modified products is not permitted.

Principle 2.4.4 Waste is reduced and managed responsibly with adequate efforts to compost and recycle.

- a) Waste is managed and disposed of in a responsible manner.
- b) The operation strives to compost, reuse and recycle as much waste as possible and reduce overall waste production.

2.5 FAIR FOR LIFE FAIR TRADE CRITERIA

Principle 2.5.1 Fair for Life certification applicants must demonstrate expected positive impact of Fair Trade on marginalised workers or communities beyond providing fair working conditions before their application can be accepted.

- a) The applicant presents a basic Fair Trade justification statement to outline the expected benefits of Fair Trade for marginalised producers, workers or communities, beyond providing fair working conditions.
- b) The applicant operation confirms its commitment to continuously improve the working and employment conditions in his operation and to support the empowerment of workers.

Principle 2.5.2 The trading relationship between Fair Trade producer and his Fair Trade buyers are based on trust, transparency, equity, accountability and continuity. The trade relation should be long term and based on mutual advantage, including price stability.

- a) Fair Trade producer companies and their Fair Trade primary buyers should seek to establish a long term and stable relationship in which the rights and interests of both parties are mutually respected and prices are negotiated based on transparent communication.
- b) Fair Trade producer companies are accountable trade partners for their buyers and work continuously on meeting the quality standards requested by their buyers.

Principle 2.5.3 The operation develops a Fair Trade Policy which defines the intended beneficiaries of Fair Trade and procedures to administer the Fair Trade Development Premium responsibly. It confirms its commitment to Fair Trade and empowerment of workers.

- a) The company develops a Fair Trade Policy.

Principle 2.5.4 The company agrees with its buyers on a Fair Trade Sales Price as well as a Fair for Life Fair Trade Development Premium for its products, based on open and transparent communication and exchange.

- a) The operation agrees with its buyers on a Fair Trade Sales Price for the certified products. The Fair Trade Sales Price shall include specific costs to comply with the requirements for Fair for Life Fair Trade certification.
- b) The Fair Trade Sales Price shall always be at least the agreed Fair for Life Floor Price.
- c) Additionally, a Fair for Life Fair Trade Development Premium shall be paid for all sales of Fair for Life certified products. If no Development Premium is paid, the buyer may not label the products as Fair for Life certified, even if they originate from a Fair for Life certified producer.

Principle 2.5.5 The Fair Trade Development Premium is administered separately and used only for social and environmental development projects as decided by an assembly of workers or a Premium Fund Committee.

- a) Premium money received is administered in a separate bank account, with appropriate signatory rights. Normally this is a joint signature by company and workers representative, or another appropriate setting that is practical while at the same time preventing misuse.
- b) The Premium money is only used for agreed projects. Any expenditure and use are well documented. The Fair for Life Development Premium Fund is intended to finance sustainable social or environmental community projects or social projects for the workers and their families.
- c) Decisions on the use of the Fair Trade Development Premium are taken either by the assembly of workers or by a Fair for Life Premium Fund Committee. Such a Committee must always include worker representatives and may include external experts or buyer representatives, not only company management. Normally it is expected that worker representatives account for half of the Committee members.

3 CRITERIA FOR PRODUCER GROUPS

Module 3: Producer Group Standards - Applicability		
Operations	Any group of agricultural producers either organized independently as a group (e.g. cooperative) or by a processor / trader (“contracted production”).	
Products	Any agricultural products, apiculture products, aquaculture products	
Certification Options	For Life Social Responsibility	Any agricultural producer group operation, world-wide.
	Fair for Life Social & Fair Trade	<p>Agricultural producer groups with their own processing units.</p> <p><i>Smallholder producer groups in less industrialised countries can apply without meeting specific eligibility criteria.</i></p> <p><i>Producer groups where most producers do not primarily depend structurally on family labour and all producer groups in highly industrialised countries must demonstrate a Fair Trade justification statement with expected Fair Trade benefits to marginalised social groups.</i></p> <p><i>Processors of Fair Trade products further up the supply chains are covered as Fair for Life handling operations – Module 4.</i></p>

3.1 ORGANISATION OF THE GROUP

Principle 3.1.1 The group operator (producer group or contracting company) acts as responsible and fair trading partner for the producers in the group.

- a) The group operator maintains good business practices.
- b) The group operation respects and supports all producers in the group as long term trading partners, in particular it seeks to establish a fair system of purchasing.
- c) The group operation encourages and supports interaction and exchange between producers and the set up of a producer presentation organisation(s).
- d) Producer groups are democratically organised and producers are informed and participate in all key business decisions.
- e) While initially the contracted producer group operator (in this case the company or NGO contracting the producers) may be the organising instrument for the social and economic development of the contracted producers, a producer representation organisation shall be initiated which can represent the producers’ interests in negotiations with the contracting company.
- f) The contracting company may not misuse the contractual relationship as a means to lower purchase prices (without prior agreement by farmer organisation due to substantial reasons) nor to create economic dependency for the producers. Producer must be free to cancel their contracts. If the producer group wishes to gradually become an organised producer group, this positive development must be supported by the group operator.

Principle 3.1.2 Producers receive a fair price and are paid in a convenient, timely and well documented way.

- a) The group operator has and follows clear rules to set farmgate prices
- b) Producers are promptly paid after collection or delivery of the product and in a manner convenient to them. Payments are documented.
- c) Quality grading is done in a transparent manner and any group services or inputs provided by the group operator are not charged above market rate.

- d) Prices paid to producers always cover the basic costs of production and allow farmers to continue production. They shall aim to cover the producers' basic needs and to provide some discretionary income.

Principle 3.1.3 Membership to the group is as open as possible and does not contribute to discrimination.

- a) There is no restriction to group membership or to becoming contracted producer based on race, colour, religious beliefs, gender, political affiliation, national extraction, sexual orientation or social origin. Women producers are actively encouraged
- b) There are defined rules to membership or for selection of new producers and smallholder producers shall be encouraged and supported to be members. Producers (which grow the groups target crops and are in the group's operational area) may request to become part of the group operation and if this is not possible, it must be explained and justified.

Principle 3.1.4 The group operation develops an Internal Control System that monitors implementation of Social Responsibility / Fair Trade and environmental principles on producer farms.

- a) A basic Internal Control System (ICS) monitors the implementation of the requirements of this standard on farm level and ensures that only produce from registered farmers is bought.
- b) An Internal Social and Environmental Standard is developed together with farmers which summarises relevant key aspects that producers in the group commit to work towards and this standard is communicated. Farmers in the group are made aware of their obligations (as well as rights) as socially responsible / Fair Trade farmers.

3.2 WORKING CONDITIONS ON PRODUCER FARMS

Principle 3.2.1 The participation of children in the production process is minimised and any work done by children on their family farms does not compromise schooling, is supervised and non-hazardous to the children's' physical and mental health.

- a) Children (<15 yrs) are not employed / contracted as workers, but children older than 12 years may be permitted to light work for limited times after school or during school holidays to earn pocket money, provided that work does not compromise schooling and is non-hazardous to the children's physical and mental health.
- b) Children may help on their family farms doing only light, non-hazardous work for limited times a day.

Principle 3.2.2 Any workers on producer farms have a right to fair and safe working conditions.

- a) All farm workers (usually occasional seasonal labour, but in case of medium size farms also permanent or other temporary labour) have fair and safe working conditions.

3.3 LABOUR CONDITIONS FOR PRODUCER GROUP STAFF

Principle 3.3.1 The group operation respects the basic labour rights of all its workers.

- a) There is neither child labour nor forced labour.
- b) There shall be no discrimination in hiring, compensation, access to training, promotion, termination, benefits or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, HIV / Aids, union membership or political affiliation.
- c) Workers, without distinction, have the right to join or form workers' organisations of their own choosing.
- d) A safe and hygienic working environment shall be provided and the workers shall be trained in safety aspects.

Principle 3.3.2 The group operation's workers are ensured good working conditions.

- a) Workers have clearly defined employment conditions.
- b) Wages and benefits meet, at a minimum, national legal standards. Payments are documented.
- c) Working hours are not excessive and holidays as well as annual leave are granted as per national legal requirements.

3.4 SOCIAL RESPONSIBILITY AND COMMUNITY RELATIONS

Principle 3.4.1 The group operation defines, implements and communicates its commitment to Social Responsibility and Fair Trade principles.

- a) The company has a Social Responsibility Policy or Social & Fair Trade Policy (depending on certification scope) that details its commitment to empowerment of and fair relations to producers, good working conditions and its continuous improvement of performance. Ideally, the policy is developed in cooperation with producers and workers.

Organised smallholder producer organisations have 2 years to develop a written policy.

- b) The Social Responsibility / Social & Fair Trade Policy covers the following aspects
 - Long-term commitment to good relations with producers and workers, to comply with For Life / Fair for Life group certification requirements (as applicable) and to continuous improvement.
 - Objectives and development targets of For Life or Fair for Life certification
 - Summary of rights and responsibilities of the management, producers and workers with regard to contracts between producers and the group operator, pricing, basic worker rights, conditions of employment, rights of indigenous people and community relations. References may be made to more detailed manuals, procedures or policies, but still the overall commitment shall be written down in all key aspects
 - The policy must be signed by top management and must be made known to all producers' staff. Corporate Social Responsibility and workers' welfare shall be embedded in the overall mission statement and company policy.
 - If the group applies for Fair for Life Fair Trade certification, the policy includes details on Fair Trade beneficiaries, administration of the Fair Trade Development Premium Fund, the decision process for Premium use and intended Premium use (rough description of types of projects to be possibly funded) in adequate detail to ensure smooth implementation of Fair Trade obligations described in Section 3.6 below.
- c) The Social Responsibility / Social & Fair Trade Policy is accessible in a comprehensive form to all producers and group operator personnel, including executives and supervisors. It also needs to be publicly available, preferably on the company's website. The policy is reviewed regularly and revised when necessary.
- d) The group operation must plan and implement the necessary activities to comply with the Fair for Life certification requirements and applicable law and to effectively implement its Social Responsibility / Social & Fair Trade Policy.

Principle 3.4.2 Fair for Life group operations incorporate high social and cultural values and take an active role in the sustainable development of the communities and societies in which they operate.

- a) Group operators are expected to make positive economic, social and cultural contributions beyond legal obligations, in particular they are expected to reach out to remote and marginalised producers and provide local employment.

Principle 3.4.3 Fair for Life group operators have legitimate land use rights for production premises and respect the rights of indigenous people with regard to use of local resources and traditional knowledge.

- a) The group operator must have a legitimate right to land use and legal tenure of its operation premises. Disputes on land must be resolved responsibly and transparently before certification can be granted

- b) If relevant, the group operator respects the rights of indigenous people regarding the use of biological and other local resources and traditional knowledge (TK).

3.5 ENVIRONMENTAL ASPECTS

Principle 3.5.1 The group monitors and trains producers in good environmental practices.

- a) Basic environmental performance aspects shall be included in the group's ICS / monitoring system.

Principle 3.5.2 Producers strive to apply responsible water and energy management practices and to preserve natural ecosystems.

- a) Producers use water responsibly and minimise ground or surface water contamination.
- b) Producers are supported and trained not to waste energy and to use sustainable renewable energy where possible.
- c) Threatened and endangered species should be protected and natural ecosystems not destroyed.
- d) Waste is handled as responsibly as possible and composting and recycling is encouraged.

Principle 3.5.3 During processing activities of the group, environmental criteria are respected.

3.6 FAIR FOR LIFE FAIR TRADE CRITERIA

Principle 3.6.1 The group operation has a defined Fair Trade Policy with identified beneficiaries of Fair Trade, based on a socio-economic analysis of potential target groups and adequate procedures to implement responsible administration of Fair Trade Development Premiums.

- a) The group operator's Fair Trade Policy defines the intended beneficiaries of Fair Trade, with a short social analysis of several different potential target groups.
- b) The Fair Trade Policy or related documents describe the Fair Trade Development Premium decision processes and envisaged Premium use (scope of possible projects).
- c) In contract production projects the contracting company permits and supports producers to become a functional producer group selling to the company – if this is the producers' wish.

Principle 3.6.2 There shall be a system of fair sharing of profits in the producer's organisation or contracted production project. Prices paid cover at the very least the cost of production and shall result in producers earning a fair income from their production.

- a) The group operator and its Fair Trade buyers agree on a Fair for Life Sales Floor Price which is the minimum price to be paid for all Fair Trade sales of the Fair for Life group operation.
- b) Producers are paid a fair price that shall be at least slightly above local market rates for non-Fair Trade products of similar quality to account for the higher quality and compliance expectations (quality premium). In case of low market prices, the farmgate price never drops below the agreed Farmgate Floor Price.
- c) The Fair Trade group operator and its primary Fair Trade buyer(s) agree on a Fair Trade Sales Price by negotiation. The agreed Fair for Life Sales Price may not be lower than the agreed Fair for Life Sales Floor Price.
- d) Additionally a Fair for Life Fair Trade Development Premium is agreed and paid on top of the Fair Trade Sales Price. Calculation of the Fair Trade Development Premium must be documented. The Fair Trade Development Premium shall be stated separately in each sales contract and is channelled by the group operator into its Fair Trade Premium Fund (see chapter 3.6.3).

Principle 3.6.3 The Fair Trade Development Premium is intended to finance sustainable social community projects and must be administered responsibly. Decisions on Premium use are taken according to defined democratic procedures which always include the identified Fair Trade beneficiaries.

- a) Fair Trade Premium Fund money is generally intended to finance sustainable social community projects or as added income to marginalised low income farmers.
- b) The Fair for Life Development Premium must be specified in all invoices and sales contracts. Once received, the Premium money is administered separately and can be followed up by the control body. While organised producer organisations may keep internal accounts of the Premium, in the case of contract production operations, the Premium shall be administered in a separate bank account, with appropriate signatory rights.
- c) Fair Trade Development Premium Fund decisions are taken by a designated Premium decision body, which can be the assembly of producers or a mixed Fair for Life Premium Fund Committee, according to defined procedures.
- d) The Premium money is only used for projects decided by the designated Premium decision body. The decision any expenditure and use is well documented.

Principle 3.6.4 Fair Trade producer companies and their Fair Trade purchasers seek to establish a long term and stable relationship in which the rights and interests of both trading partners are mutually respected. Fair Trade producer companies are accountable trade partners and work on continuous quality assurance.

- a) The group operation company acts as accountable and responsible trade partner, entertaining good and open communication with its Fair Trade buyer(s).
- b) Smallholder producer groups can request pre-finance of up to 50% of the contract value in order to finance the buying operations from member producers and agree on terms and use of the prepayment with their buyers.

4 CRITERIA FOR HANDLING OPERATIONS

Module 4: Fair for Life Handling Operation Standards - Applicability		
Operations	Any company handling (trading, processing) Fair Trade certified products	
Products	Any product originating from Fair Trade certified primary production	
Certification Options	Fair for Life Social & Fair Trade	<p>Any handling operation which trades or processes Fair for Life or other fair trade certified products may apply for Fair for Life handling certification.</p> <p>Fair Trade buyers from producers and Fair for Life brand companies of Fair for Life certified products must become certified handlers if the final product is to be labelled as Fair for Life certified.</p> <p><i>For details on minimum control requirements for product labelling see Module 1.</i></p>

4.1 FAIR FOR LIFE HANDLING CRITERIA (ALL HANDLERS)

Principle 4.1.1 A Fair for Life handler commits to long-term trade relations, based on trust, transparency, accountability and continuity.

- a) Every Fair for Life handler must demonstrate his commitment to Fair Trade sourcing and long-term relations with Fair Trade producers through a Fair Trade sourcing policy or similar documents.
- b) Fair for Life handlers shall trade with respect for the social, economic and environmental wellbeing of marginalized producers and do not maximise profit at their expense. Specifically, handlers shall apply similar margins as for comparable non-Fair Trade products and aim to reaching similar gross margins as comparable to non-Fair Trade products.
- c) Fair for Life handling operations further up the trade chains shall acknowledge the responsibility of the Fair Trade buyer towards Fair Trade producers.

Principle 4.1.2 Fair for Life handlers support and promote the Fair Trade producers from whom they source and raise awareness on Fair Trade.

- a) Fair for Life handlers support and promote the Fair Trade producers with whom they cooperate, with the aim of increasing their independence and strengthening their capacity in management and marketing as well as sustainable production methods (if needed).
- b) Fair for Life handlers raise awareness of Fair Trade and participate in the Fair Trade community. They provide their customers with information about their Fair Trade products, their relations with Fair Trade producers and the impact of their Fair Trade activities. The information provided to customers is honest and truthful to the best of their knowledge.

Principle 4.1.3 Fair for Life products are traceable and are kept separate from any non-Fair Trade certified products at all stages of production and handling.

- a) Fair for Life products must be traceable in the company's documentation system from purchase to sales. Fair for Life certified products must be kept separate from any non-Fair Trade certified qualities at all stages.
- b) The Fair Trade quality shall be indicated on invoices if the products are sold to handlers who are Fair for Life certified or registered.
- c) When buying Fair for Life products or equivalent fair trade certified products (as defined in Module 1 Annex 2), the Fair Trade quality must be confirmed in each trade contract or general Memorandums of Understanding (MoUs).

- d) The Fair for Life handler has to keep an updated list of all fair trade certified suppliers (including fair trade certifier, certification status and supplied fair trade products). The Fair for Life handler must also keep an updated Fair for Life assortment list and provide a list of clients of Fair for Life certified products.
- e) For every multi-ingredient product (including blends) a composition sheet must be provided with details of composition, including percentages of all Fair Trade certified ingredients.
- f) All products sold as Fair for Life certified shall be packed in a way that the content cannot be replaced without manipulation or destruction of the package. They shall be labelled with a clear designation of their Fair Trade nature.
- g) Any product to be labelled Fair for Life fulfils the chain of custody requirements up to the point of labelling (see chapters 1.1.3.1 to 1.1.3.4) and the composition requirements as indicated in Annexes 3 to 6. All Fair for Life consumer package labels must be submitted to the CB for approval prior to printing.
- h) The Fair for Life seal and references to certification are only used in line with section 1.1.4, Module 1.
- i) If the handler has contracted processors who handle the certified products on its behalf, the handler must have adequate procedures and policies in place to ensure full traceability and separation of the certified product during the processing. Decent working conditions must be demonstrated.

4.2 ADDITIONAL CRITERIA FOR BUYING FROM FAIR TRADE PRODUCER OPERATIONS

Principle 4.2.1 Fair Trade primary buyers ensure that Fair Trade producers get favourable and clearly defined terms of trade and commit to a long term cooperation, regular communication and support of the producer.

- a) Fair for Life Fair Trade primary buyers agree with the producer operation to long-term cooperation and trade relations, which shall be mutually beneficial. The commitments of both sides are expressed in a partnership framework agreement or Memorandum of Understanding.
- b) Fair for Life handlers entertain good, open and regular communication and exchange with their Fair Trade producer operation suppliers and support them in marketing, product development and other necessary areas of improvement.
- c) Smallholder Fair Trade producers (organized groups and contract production) get favourable terms of trade: payment terms are agreed as suitable for producer operation; in the handling of problems concerning quality, support is provided.
- d) Terms of trade for buying from Fair Trade producer operation are clearly defined. Trade contracts cover at least agreed volumes, quality, Fair Trade Price and Premium, payment terms, pre-payment (if applicable), delivery terms and procedures in case of quality problems.
- e) Organized smallholder producer groups have a right to request up to 50% pre-financing, either provided directly or through an independent harvest pre-finance provider. The terms of pre-financing (e.g. interest rate charged) must be equal or better than the terms the Fair Trade handler would receive if financing the money himself.
- f) Fair Trade producer operations receive a sourcing plan or volumes forecast to plan their production and sales accordingly. The plan gives an indication of planned / intended volumes and does not constitute a binding contract for either side.
- g) The Fair Trade buyer demonstrates efforts to keep or increase volumes to a meaningful level to achieve the intended social impact in the producer operation.
- h) If Fair Trade relations have to end, this is handled with dutiful care.

Principle 4.2.2 Fair for Life Fair Trade producers always receive a fair price for their products which is higher than conventional market prices and which covers the costs of production. Additionally, a Fair Trade Development Premium is paid into the producer's Premium Fund for meaningful development projects.

- a) Prices are discussed and mutually agreed between the Fair Trade buyer and the Fair Trade producer operation and are based on open and transparent communication of needs and expectations.
- b) To give Fair Trade producers the necessary security to plan ahead and invest in their communities, the Fair Trade producer operation agrees together with his Fair Trade buyers on a Fair for Life Sales Floor Price which is the minimum price to be paid for all Fair Trade purchases.
- c) The Fair for Life Fair Trade Sales Price for a specific sales contract is agreed by the Fair Trade producers and the handler by negotiation, and is confirmed in the respective purchase agreements. The agreed Fair for Life Sales Price shall not be lower than the Fair for Life Floor Price.
- d) In addition to the Fair Trade Sales Price, the buyer and the Fair Trade producer agree on a defined Fair for Life Fair Trade Development Premium to be paid for all Fair for Life certified sales. Calculation of the Fair Trade Premium must be documented. The Development Premium shall be defined separately in each sales contract and is channelled by the producer company directly into its Fair Trade Premium Fund.

4.3 SOCIAL RESPONSIBILITY (ALL CERTIFIED HANDLERS)

Principle 4.3.0 Fair for Life handlers demonstrate fair working conditions for their own staff.

4.4 REQUIREMENTS FOR INTERMEDIATE AND CONTRACTED HANDLING OPERATIONS

Principle 4.4.1 All handlers, including intermediate and contracted handlers of Fair for Life products, demonstrate compliance with the basic Fair for Life handling principles.

- a) Every handler of Fair for Life / For Life certified products, who is not obliged to be Fair for Life/For Life certified (e.g. intermediate trader, exempt Fair for Life brandholders), must demonstrate compliance with the criteria in this part by registration with the Fair for Life certification body.
- b) Contracted processors of Fair for Life certified products must register with the Fair for Life certification body, but contract processors handling less than 10% Fair for Life products can be exempted from this obligation.

Principle 4.4.2 Registered handlers of Fair for Life / For Life products demonstrate separation and traceability of the certified products as well as decent working conditions for their staff.

- a) An intermediate or contracted handler of Fair for Life certified products must demonstrate separation and traceability of all certified products while under custody of the company.
- b) A registered handler of Fair for Life / For Life certified products must demonstrate separation and traceability of all certified products while under custody of the company.
- c) A registered handler of Fair for Life / For Life certified products must demonstrate decent working conditions for all its workers.

5 CRITERIA FOR OTHER OPERATIONS

On basis of the generic standards for hired labour operations (Module 2), producer groups (Module 3) and handling operations (Module 4), the following more specified standard modules have been developed in order to have suitably adapted technical control criteria at hand.

Module	Operations	Comments
5. Processing and Artisan Operations	Groups of micro-processors or artisans <i>e.g. shea butter cooperative, group of basket weaving artisans</i>	<ul style="list-style-type: none"> Based on Module 3 Producer Groups Specific section on raw materials used. Clarification of role and responsibilities of the processors and applicable control requirements.
6. Wild Collection Operations	Operations collecting wild plants, fungus or lichens	<ul style="list-style-type: none"> Based on Module 3 Producer Groups Adapted terminology and slight modifications to the specific situation of a company buying from collectors Adapted environmental responsibility criteria. Stronger criteria regarding rights of local and indigenous peoples
7. Mining Operations	Small-scale mining operations <i>e.g. gold, diamonds, stone quarries</i>	<ul style="list-style-type: none"> Module 7A: Based on Module 3 Producer Groups Module 7B: Based on Module 2 Hired Labour Adapted terminology and modifications to the specific situation of a mining operations Adapted environmental responsibility criteria.
8. Touristic services	Touristic service companies <i>e.g. hotels, tour operations</i>	<ul style="list-style-type: none"> Based on Module 2 Hired Labour Added requirements on bought in products Adapted environmental responsibility criteria.

The applicable full compilation of principles, criteria and performance indicators for these types of operations can be found in the respective separate module documents on the Fair for Life website.

Additionally, there is Module 9 Integrated Production Criteria which is an add-on module for any Fair for Life production operation that does not have any baseline certification of organic or good agricultural practices.

Module	Operations	Comments
9. Integrated Production	Any producer operation without organic or Good Agricultural Practices baseline certification <i>e.g. shea butter cooperative, group of basket weaving artisans</i>	<ul style="list-style-type: none"> Criteria and performance indicators for minimum good production practices such as e.g. responsible handling and use of agrochemicals.

TERMS AND DEFINITIONS

The following terms are defined in their meaning and use within the Fair for Life Social & Fair Trade Certification Programme only.

Agrochemical – A chemical substance used in agricultural production systems to maintain soil fertility (fertiliser), control weeds (herbicide) or combat pests (insecticide, fungicide, etc.)

Child – In this standard “Child” shall refer to any person under the age of 15, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age would apply.

ILO Definition of “Child”: Any person less than 15 years of age, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age would apply. If, however, local minimum age law is set at 14 years of age in accordance with developing-country exceptions under ILO Convention 138, the lower age will apply.

Contract Production – Trader or manufacturer contracting farmers to produce or deliver crops in a certain defined quality (e.g. organic or Fair Trade). In this structure the trader or manufacturer acts as group operator who organises the producers and normally also manages the Internal Control System.

Discrimination – The ILO definition is used: “Any distinction, exclusion or preference based on race, colour, gender, religion, political opinion, nationality or social origin (or any other motive determined by the afore-mentioned states) that causes equality of opportunity or treatment in employment or work to be lifted or reduced”.

Economic Threshold – The level of infestation or pest attack at which the benefits received (for example in terms of yield or crops saved) cover the cost of the treatment or application.

Ecosystem – A set or system of one or more biological communities (plants, animals etc.) along with the physical media within a determined zone. Examples: forests, wetlands, lakes.

Erosion – Removal or displacement of soil caused by movement of water or wind.

Fair for Life Floor Price – agreed minimum price to be paid for all Fair for Life purchases.

Fair for Life Fair Trade Price – Fair base sales price for the Fair Trade certified product as negotiated between the Fair Trade producer company and the Fair Trade buyer. The Fair Trade price includes normally a differential for standard compliance and certification and considers the quality of the product (overall product quality, organic production, etc.). The Fair Trade price, however, normally does not include the Fair Trade Premium.

Fair for Life Brand Holder - The company under whose brand / company name the final Fair for Life product is marketed to consumers.

Fair Trade Buyer – The Fair Trade buyer is the handler who pays the Fair Trade producer operation the Fair for Life Fair Trade Price and the Fair Trade Development Premium and who markets the product as Fair for Life certified to consumers or into commodity trade chains.

Fair Trade Development Premium – Extra amount paid on top of the Fair Trade price for all Fair Trade produce bought. The Fair Trade Premium has to be administered separately from all other revenues and its use is strictly confined to agreed social projects or higher producer payments.

Fair Trade Producer Operation – Any company or organisation which effectively produces and markets an agricultural Fair Trade product. This is typically a producer group or plantation with processing and export units.

Farmgate Price – Price payable to the individual producer when goods are delivered in accordance with agreed quality requirements and at the place agreed with group operator (e.g. at purchase centre, at farm). All risk, responsibility and costs that may accrue after acceptance of the goods are responsibility of the group operator.

Integrated Pest Management (IPM) – A long-term prevention strategy to combat pests, involving a combination of techniques such as biological control (use of beneficent insects or microbes), use of pest-resistant varieties and the use of alternative agricultural practices in e.g. pruning, spraying or fertilizing.

Internal Control System (ICS) – An ICS is a documented quality assurance and quality management system that allows an external certification body to delegate the annual inspection of individual group members to an identified unit within the certified producer group and which manages compliance with a

standard (and internal quality expectations) by taking over some of the farmers quality management responsibilities.

Medium Family Producer – Small to medium-size family owned farms with some permanent hired labour; bigger than smallholder producers. In this standard, only farms with less than app. 10 permanent workers are considered as medium-size family farms.

Natural Water Body – Lakes, lagoons, rivers, streams, brooks or other bodies of surface water that exist naturally.

Organised Producer Group – Group of producers organised in a formal kind of farmers' association or cooperative.

Old Growth Secondary Forest – Secondary forest (forest that has been logged and has recovered naturally or artificially) that has sufficiently developed the structures and species normally associated with old primary forest of that type to act as a forest ecosystem distinct from any younger age class forest (adapted from: www.cbd.int).

Primary Forest – Forest that has never been logged and has developed following natural disturbances and under natural processes, regardless of its age (www.cbd.int).

Producer – Primary producer such as farmer or collector. Term used in this programme only for smallholder producers and medium-size family producers.

Record – Document that presents results obtained or provides evidence of activities carried out.

Smallholder Producer – Producer who does not structurally depend on hired labour, managing his / her farm mainly with his / her own and the family's labour-force.

Threatened or Endangered species – Species of flora and fauna indicated as threatened or endangered in applicable laws or regulations or by the IUCN – The World Conservation Union's Red List (<http://www.iucnredlist.org>).

Worker – All staff working in an operation including employees, permanent, seasonal, temporary, migrant, foreign, casual and sub-contracted workers. The term "workers" shall also include others such as persons employed in the administrative branch of an organisation.

Young Worker – A young worker is defined by age as being between 15 to 17 years.

ILO Definition: Any worker over the age of a child as defined by ILO and under the age of 18.

ACRONYMS AND ABBREVIATIONS

ILO – International Labour Organisation (www.ilo.org).

IMO – Institute for Marketecology (IMO) (www.imo.ch).

ISEAL – ISEAL Alliance, global association for social and environmental standards (<http://www.isealliance.org>)

FLO – Fairtrade Labelling Organization (www.fairtrade.net).

Forest Stewardship Council (FSC) – International standard for sustainable forest management and timber products (<http://www.fsc.org/en/>).

GAP – Good Agricultural Practices.

Global Organic Textile Standard (GOTS) – International standard for organic textiles (<http://www.global-standard.org>).

SA8000 & SAI – Social Accountability 8000 Standard by SAI -Social Accountability International (<http://www.sa-intl.org>).

WFTO – World Fair Trade Organisation, previously IFAT (www.wfto.com).

Fair for Life Programme. Version 2011 by Bio-Foundation. Main Author: F. Meinshausen.

Approved by Fair for Life Standard Committee. Weinfelden. January 2011.