

FAIRTRADE INFORMATION KIT

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WHY PARTNER WITH FAIRTRADE



WHAT IS FAIRTRADE



WHO WE ARE

Fairtrade advocates for better working conditions and improved terms of trade for farmers and workers in developing countries.

Fairtrade is a global system that connects farmers and workers, businesses and consumers to ensure fair terms of trade and deliver positive results for people around the world. It's about supporting the development of thriving communities and protecting the environment through fairer trade.



BUSINESS TO BUSINESS

Businesses partner with Fairtrade to build and maintain their sustainable supply chains, and to actively demonstrate their commitment to improving the lives of farmers and workers. By working together, Fairtrade and businesses can offer customers a powerful way to create positive change through their everyday purchases.



THE FAIRTRADE MARK

Globally, the Fairtrade Mark is the most trusted and recognised ethical label. When a product carries the Fairtrade Mark, it means that the Fairtrade ingredients in the product have been produced in accordance with Fairtrade's social, economic and environmental standards and the Fairtrade farmers or workers receive the Fairtrade Minimum Price and Premium. The Mark represents a farmer in a field waving.

FAIRTRADE OVERVIEW



FAIR PRICE

The Fairtrade System ensures farmers and workers receive a fair price, the **Fairtrade Minimum Price**, for their products. This covers the cost of sustainable production for that product in a region. The Fairtrade Minimum Price helps to protect farmers from damaging fluctuations in world market prices and support them to plan for the future.



FAIRTRADE PREMIUM

The Fairtrade Premium is an extra sum of money on top of the Minimum Price that is paid into a communal fund. Cooperatives can invest the Premium as they see fit in social, economic and environmental development for their organisations and communities. The farmers and workers democratically decide as part of their cooperatives what investment is most important to them, for example education initiatives, healthcare projects or agricultural training.



PRODUCER OWNERSHIP AND EMPOWERMENT

The Fairtrade System is based on transparent and democratic principles. Globally, producers from farmer and worker organisations have 50% representation and own half of the Fairtrade System. This means they have an equal voice and say in decision-making in the general assembly and on Fairtrade International's Board. This allows producers to be directly involved and determine their own futures.



SUSTAINABILITY

Sustainability means meeting people's needs today without compromising the needs of people in the future or the environment.

For Fairtrade, this means empowering farmers and workers to face a range of economic, environmental and social challenges. Fairtrade is also about supporting and challenging businesses and governments to make trade fair and inspiring shoppers to think more about what they buy.

For more information about Fairtrade Standards, Minimum Prices and Premium, visit:
<http://www.fairtrade.net/standards.html>



FAIRTRADE AUSTRALIA & NEW ZEALAND

Fairtrade Australia & New Zealand (Fairtrade ANZ) is a member of Fairtrade International and has the sole right to license the use of the international Fairtrade Mark in Australia and New Zealand. Fairtrade International sets the international standards for Fairtrade and governs the use of the Fairtrade Mark worldwide.



OUR WORK

- 1 Deliver benefits for small-scale farmers & workers in the Asia-Pacific region
- 2 Build sustainable supply chains and create market access for Fairtrade producers (around the world) into ANZ
- 3 Partner with businesses to increase the range, availability and sales of Fairtrade Certified products.
- 4 Raise awareness and promote Fairtrade products
- 5 Protect the Fairtrade Mark - increase credibility & trust

Through education, advocacy and commercial campaigns, we seek to inspire individuals and businesses to choose Fairtrade.



FAIRTRADE AUSTRALIA & NEW ZEALAND

Fairtrade partners with a wide variety of businesses from traders and manufacturers to brands that sell to end consumers. A company needs to be certified if they: trade a commodity, transform a product in any way or pay the Fairtrade Premium. If a company is a brand owner and/or selling the product to the end consumer they need to be licensed. Talk to our team to find out if you need to be certified and/or licensed.



SUPPORT

The Fairtrade ANZ team offers support to Fairtrade partners in a variety of ways:

BUSINESS DEVELOPMENT

- » Support in sourcing ingredients and connection to supply chain actors
- » Impact stories and producer profiles (incl. Fairtrade Premium use)
- » Research results and analysis of sustainable (Fairtrade) products
- » Case studies of e.g. Fairtrade product promotions
- » Access to promotional materials and marketing support



COMMUNICATION AND PROMOTIONAL OPPORTUNITIES

- » Promotion through Fairtrade's supporter newsletter, website and social media channels
- » Fairtrade brand research
- » Information on specific Fairtrade programme areas that support farmers and workers (e.g. climate change, gender, fair pay and child labour)
- » Provision of materials promoting Fairtrade, including opportunities to participate in campaigns



CERTIFICATION AND LICENSING

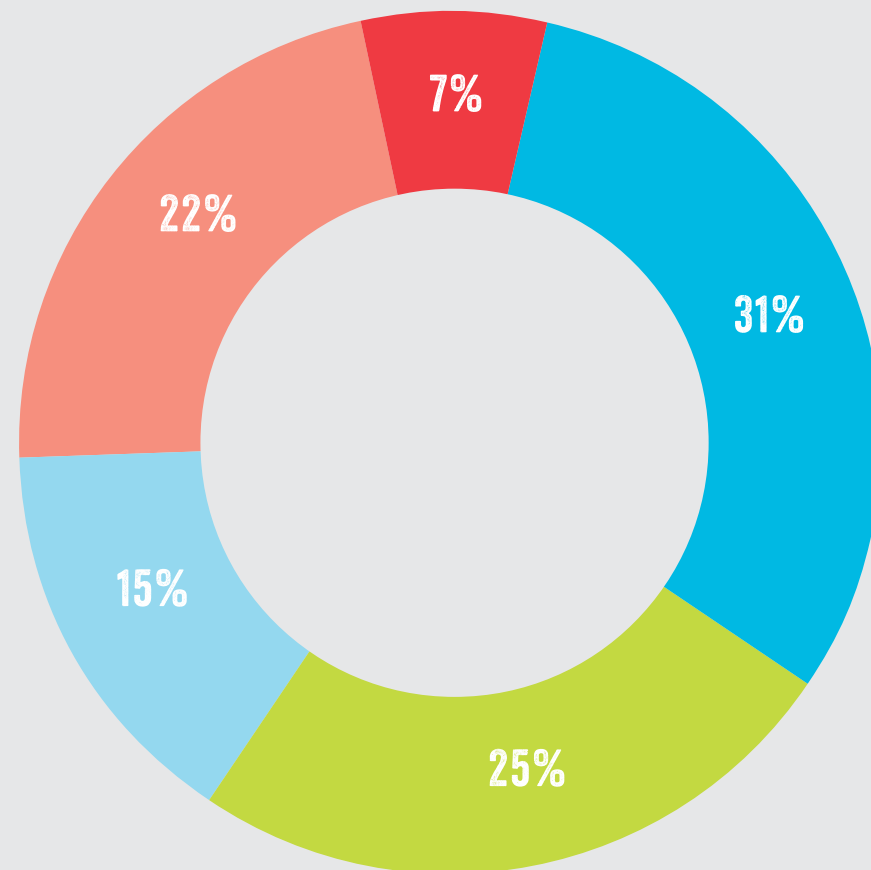
- » Support in registering Fairtrade products and complying with composition requirements
- » Timely approval of product packaging and promotional material using Fairtrade Mark
- » Assistance in sales reporting via our online program Connect
- » Assurance of robust Certification system and guidance in the Fairtrade Standards
- » Guidance in preparation for Fairtrade audits and understanding the Fairtrade Standards



INCOME AND EXPENDITURE

- Producer Support Asia Pacific
- Awareness And Business Development
- Office Management & Governance
- Contribution To Fairtrade International
- Fairtrade Licensing And Certification Services

35% of our licence fee income goes to Fairtrade International and of that they spend 47% on direct producer services



THE FAIRTRADE MARK

THE FAIRTRADE MARK indicates that the Fairtrade ingredients in the product have been produced in accordance with Fairtrade's social, economic and environmental standards and the Fairtrade farmers or workers receive the Fairtrade Minimum Price and Premium.

When someone buys a product carrying the Fairtrade Mark they know their purchase is supporting farmers and workers to get a better deal for their products and to improve their lives.

There are four versions of the Fairtrade Mark, they are



FAIRTRADE MARK VS FAIRTRADE SOURCED INGREDIENT

The Fairtrade Mark is the most trusted ethical label globally. Companies or brands that trade single ingredient products (e.g. coffee) OR choose to source Fairtrade ingredients for a composite product whenever a Fairtrade option is available. Fairtrade may label their products with the Fairtrade Mark.

The Fairtrade Sourced Ingredient (FSI) model is an alternative way for businesses of all sizes to engage with Fairtrade. Through this model companies and brands can source a single Fairtrade ingredient for their composite product ranges or across their business. Under FSI, 100% of the ingredient in a composite product range, line or category, or across a whole business, must be sourced on Fairtrade terms. The rest of the ingredients in the composite product don't need to be sourced as Fairtrade. The FSI Mark clearly highlights which ingredient has been sourced as Fairtrade.

FAIRTRADE MARK



FAIRTRADE GOLD MARK



FAIRTRADE COTTON MARK



FAIRTRADE SOURCED INGREDIENT MARK



BECOMING A FAIRTRADE PARTNER



FAIRTRADE PRODUCT CATEGORIES



SINGLE INGREDIENT PRODUCT

Single ingredient products are made from one ingredient only and must be 100% Fairtrade certified.

Examples of Fairtrade single ingredient products:

- » Coffee
- » Tea (non-blended)

You can create a Fairtrade coffee blend, however all origins within the blend must be Fairtrade certified.



COMPOSITE PRODUCT

Products made from more than one ingredient are known as composite products.

For example, a chocolate bar is made from cocoa, cocoa butter, sugar and other ingredients such as vanilla. For a food composite product, at least 20% of the total content must be Fairtrade certified ingredients. If an ingredient can be Fairtrade certified, it must be used.

Examples of Fairtrade composite products:

- » Blended teas
- » Chocolate
- » Soft drinks



GOLD

Fairtrade certified gold products must use 100% Fairtrade gold.



FAIRTRADE PRODUCT CATEGORIES CONT.

COTTON

Different kinds of products can carry the Fairtrade Cotton Mark:



100% COTTON

- » Products that are only made of cotton.
- » **For example:** towels and T-shirts that are 100% cotton.



BLENDED FIBRES

- » Materials where cotton is blended with another fibre.
- » Fairtrade Cotton must make up at least 50% finished product weight.
- » **For example:** socks that are 60% Fairtrade Certified cotton and 40% nylon.



BLENDED FABRICS

- » Blended fabrics for workwear, corporate and institutional wear or uniforms.
- » Products manufactured for workwear, corporate wear or uniforms that require a higher foreign fibre content to fulfill specific features such as:
 - Wear and tear resistance.
 - No creasing.
 - The usage of this clothing is either compulsory (ie. required by an employer) or a necessity (e.g. protection in a manual labour context).
- » Fairtrade Cotton must make up at least 30% finished product weight.
- » **For example:** overalls.



PRODUCTS WITH A NON-TEXTILE ELEMENT

- » Finished products that are made from cotton or cotton blends, and contain a non-textile component.
- » 50% of the product must be Fairtrade Certified Cotton unless the garment is part of a workwear collection.
- » **For example:** cotton canvas sneakers with a rubber sole.

FAIRTRADE STANDARDS



A product can only be Fairtrade certified if every part to the supply chain from farmers to manufacturer have met Fairtrade Standards.



The first operator in the supply chain, who buys the commodity from the Fairtrade certified cooperative or plantation, must pay the Fairtrade Minimum Price and Premium.



Everyone in the supply chain must be certified by FLOCERT or Fairtrade ANZ and will receive a unique FLO ID number which allows them to trade Fairtrade ingredient or products.

Everyone in the supply chain must comply with all relevant Fairtrade Standards. These transparent global standards are easily accessible on the Fairtrade International website. They can be found at www.fairtrade.net/standards

Everyone beyond the farm-level must comply with the Fairtrade Trader Standard.



PROCESS

1



COMPLETE AND SUBMIT THE APPLICATION FORM

In the 'For Business' section of the website under 'Ways of Working with Fairtrade' you will [find the application form](#).

For any questions contact licensing@fairtrade.com.au



2



YOU WILL RECEIVE AN INVOICE. PLEASE PAY TO PROGRESS YOUR APPLICATION.

3



BECOME A LICENSEE

CONTRACTS

Once we confirm your supply chain details and approve the product, we will send your Fairtrade Trade Mark Licensing and Certification Agreements by email. Your business becomes a Fairtrade Licensee once the agreements are signed by both parties.

FLO ID

We will issue your FLO ID (a unique identification number) to put on your commercial documents and a Permission to Trade Certificate (valid for 6 months) that can be shared with your suppliers and customers.

CONNECT

We will set you up with access to our online program, Connect, for product registration, artwork approvals and reporting your sales (transaction report). Connect also gives you access to Artwork files and the guidelines for the use of the Fairtrade Mark.

You will need to submit all new or revised Fairtrade products and artwork for approval and provide regular sales reports.

4



CERTIFICATION

If you are a Certified Licensee Fairtrade ANZ will schedule an audit within 6 months to ensure compliance with the Fairtrade Standards. After the audit you will receive your Fairtrade Certificate. The cost of audits is covered by the certification fee (unless exceptional follow-up audits outside the normal cycle are required).

CERTIFICATION AND AUDIT

All certified licensees are audited to ensure compliance to the Fairtrade Standards and to verify traceability of Fairtrade products. Fairtrade ANZ conducts both announced (where a date is scheduled in advance) and unannounced audits. The audit will

include sampling your documentation relating to Fairtrade products (such as purchase documents, invoices, stock records etc.) and physically inspecting Fairtrade ingredients and final products. The details you provide in your transaction report will also be sampled during the audit.

For further information please refer to the Certification Standard Operating Procedure located on Fairtrade ANZ's website.

POLICIES

Fairtrade ANZ's policies can be found on [our website](#). This includes our child protection, complaints handling and whistleblowing policy.

FEES

Depending on your role in the supply chain, there are different applicable fees.

ROLE	APPLICABLE	TITLE
Business selling raw product to licensee	Certification fee	Certified Operator
Business processing and packaging the Fairtrade product and selling to consumers.	Certification and Licence fee	Certified Licensee
Business receiving their branded product in final packaging then selling to consumers. Fairtrade Premium payer.	Certification and Licence Fee	Certified Licensee
Business receiving their branded product in final packaging then selling to consumers. Not Fairtrade Premium payer.	Licence fee	Pure Licensee

If the role of your business does not fit one of these descriptions please contact licensing@fairtrade.com.au and we will advise you of the applicable fees.

CERTIFICATION FEE This covers the cost of regular audits, which ensures compliance with Fairtrade Standards and traceability of Fairtrade ingredients from the producer to the final consumer.

LICENCE FEE This fee is charged for the use of the Fairtrade Mark on product packaging and promotional materials. Besides a contribution to Fairtrade International, the license fee covers the cost of producer support in Asia/Pacific, business development, licensing assistance, marketing and public engagement.

FEES CONT.

PRODUCT CATEGORY	CERTIFICATION FEE	LICENCE FEE
All Products (except Gold and Coffee Capsules)	A minimum annual fee, which amounts to: \$250 (plus GST) for Small Licensees; OR \$500 (plus GST) for all other Licensees	A minimum annual fee: \$250 (plus GST) for small licensees; OR \$500 (plus GST) for all other licensees; AND The sum of 2% of the net sales value of all Fairtrade products, if this amount is more than the annual fee.
Gold	A minimum annual fee, which amounts to: \$250 (plus GST) for Small Licensees; OR \$500 (plus GST) for all other Licensees	A minimum annual fee, which amounts to: \$250 (plus GST) for small licensees; OR \$500 (plus GST) for all other licensees; AND \$2.50 per gram of Fairtrade raw material in finished piece if this amount is more than the annual fee
Coffee Capsules	A minimum annual fee, which amounts to: \$250 (plus GST) for Small Licensees; OR \$500 (plus GST) for all other Licensees	A minimum annual fee, which amounts to: \$250 (plus GST) for small licensees; OR \$500 (plus GST) for all other licensees; AND The sum of 0.5% of the Net Sales Value of coffee capsules if this amount is more than the annual fee.
Cotton	A minimum annual fee, which amounts to: \$250 (plus GST) for Small Licensees; OR \$500 (plus GST) for all other Licensees	A minimum annual fee, which amounts to: \$250 (plus GST) for small licensees; OR \$500 (plus GST) for all other licensees; AND 2% of the Free on Board value of the product x 1.5 if this amount is more than the Annual Fee

FEES

COMMITMENT TO FAIRTRADE DISCOUNT

Fairtrade ANZ believes significant commitments to Fairtrade should be acknowledged by offering discounts to businesses that use the Fairtrade Mark on 100% of their products (in a product category) .

DISCOUNT	APPLICABLE LICENSEES
25% discount	Licensees that use the Fairtrade Mark on 100% of their products (in a product category)

NOTE: We require licensees to notify us prior to invoicing if they think they are eligible for this discount. The discount cannot be applied retrospectively.

SMALL LICENSEE

In recognition of the needs of small businesses, we have a category of Licensee with a lower annual fee.

DISCOUNT	APPLICABLE LICENSEES
50% discount on minimum annual licence and certification fees	<ul style="list-style-type: none"> » Have annual Fairtrade sales of less than \$25,000; » Have a global turnover of all sales of less than \$1million; and » Employ fewer than 10 staff, or equivalent of 400 paid hours/week.

NOTE: We require licensees to notify us prior to invoicing if they think they are eligible for this discount. The discount cannot be applied retrospectively.

RESPONSIBILITIES AS A PARTNER



RESPONSIBILITIES



COMPLIANCE WITH THE FAIRTRADE STANDARDS

All businesses are responsible for ensuring that they are compliant with the Fairtrade Standards. The Certification Team is able to provide guidance on the requirements of the standards. Fairtrade ANZ monitors compliance with the Fairtrade Standards through assessment of transaction reports, product registration and audits.



SALES REPORTING

Certified Licensees and Pure Licensees are required to submit a transaction report based on their Fairtrade sales at the end of each calendar quarter. The transaction report outlines, the volume (kgs or other unit) and net sales value of Fairtrade sales.



USE OF THE FAIRTRADE MARK

The Fairtrade Mark can only be used on products that are certified in accordance with Fairtrade Standards. Any use of the Fairtrade Mark must be approved prior to printing or publishing. A quick guide to the packaging requirements can be found on pages 20 and 21.

All packaging artwork applications must be submitted through our online program, Connect.

NOTE: Whilst the team endeavor to turn around requests quickly, we require at least 3 days to review artwork. If multiple changes and rounds of approval are required, the process can take longer. Please ensure you allow sufficient time for the artwork approval process.



NEW PRODUCT REGISTRATIONS AND SUPPLY CHAIN INFORMATION

If you want to add new Fairtrade products to your range, you will need to register each individual product with us via Connect, including the product's supply chain details.

You are required to notify us of all additions and changes to your product range and supply chain before the product is released in market. This also includes Fairtrade products manufactured on behalf of a client and private label products.

Please allow two weeks for product and supply chain approval.



RECORD KEEPING

Your business will need to keep appropriate records when handling Fairtrade products. This record keeping should allow you to track the separation of Fairtrade products at every stage. This will be necessary to demonstrate when you are audited.



EXPORTING FAIRTRADE PRODUCTS

You need to inform us, via Connect, if you plan to export your products. Your transaction report will have a separate section for each destination country.



QUICK ARTWORK GUIDE

RULES THAT MUST BE FOLLOWED

When using the Fairtrade Mark and the name Fairtrade on any product packaging.

PRODUCT TITLE AND DESCRIPTOR

The term Fairtrade can be used (non-compulsory) in a product title or product descriptor, providing it is not used as a brand or sub-brand.

INCORRECT USE OF THE MARK

It is important that the appearance of the Fairtrade Mark is protected. The Mark must never be altered, recreated or distorted in any way.

FAIRTRADE COLOURS

Other colours that are too similar to Leaf Green or Sky Blue must not be used, in order to protect the integrity of the Mark as a certification mark.

SIZE OF THE MARK

The Fairtrade Mark must be used in a size that is in proportion with the size of the packaging.

MINIMUM CLEAR SPACE

To preserve the visual independence of the Fairtrade Mark when sitting next to text or graphics, a clear space must be maintained around the Mark.



Front of Pack

Back of Pack

QUICK ARTWORK GUIDE CONT.

COMPLSORY ELEMENTS required on pack.

FAIRTRADE STATEMENT

The Fairtrade Statement is required to specify Fairtrade certified ingredients and is compulsory on pack. There are two Statements for products, one for physical traceability and for those that have mass balance. The Fairtrade website is part of the Fairtrade Statement to allow consumers to find out more about Fairtrade.

SHORT VERSION:

[Name(s) of ingredient(s):] Fairtrade certified and sourced from Fairtrade producers.
Total xx%

Visit www.fairtrade.com.au

LONG VERSION:

[Name(s) of ingredient(s):] Fairtrade certified and sourced from Fairtrade producers.
Total xx%.

Fairtrade means fairer trading conditions and opportunities for producers in developing countries to invest in their business and communities for a sustainable future.

Visit www.fairtrade.com.au

FAIRTRADE MARK

The Fairtrade Mark must always be placed on the front of the pack. The Mark must be less prominent than the brand and positioned away from branding. The Mark needs to be visible when the product is within a shelf ready tray (SRP) or counter display unit.

FLO ID

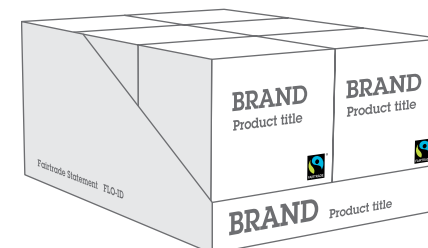
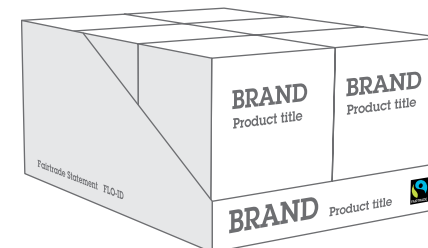
The Licensee's FLO-ID must be on pack:
FLO ID XXXX

RETAIL PACKAGING

The Fairtrade Mark must be applied to any shelf trays, counter display units and boxes that contain loose Fairtrade certified products for sale in a consumer-facing environment.

SHELF TRAYS AND COUNTER DISPLAY UNITS

When placing the Fairtrade Mark on a tray or display unit, the same brand and product title/ descriptor that is on the product must also be shown on the unit. The Fairtrade Mark does not need to be printed on the unit if at least one Mark on a product within a unit is visible.



CONTACT US

For more information contact Fairtrade ANZ

PHONE: 03 9602 2225

GENERAL QUERIES

Email: info@fairtrade.com.au

LICENSING AND CERTIFICATION

Email: licensing@fairtrade.com.au

