



FAIRTRADE

# FAIRTRADE INFORMATION KIT

# What is Fairtrade?

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Fairtrade is a global system that connects farmers and workers, businesses and consumers to ensure fair terms of trade and delivers positive results for people around the world.

We recognise that producers can't make good decisions if they are struggling to survive. We work to strengthen their businesses and communities - and then everyone benefits: their children, the community, women and the environment.

At the very core of our beliefs is a respect for farmers, workers and the environment.

## Business to Business

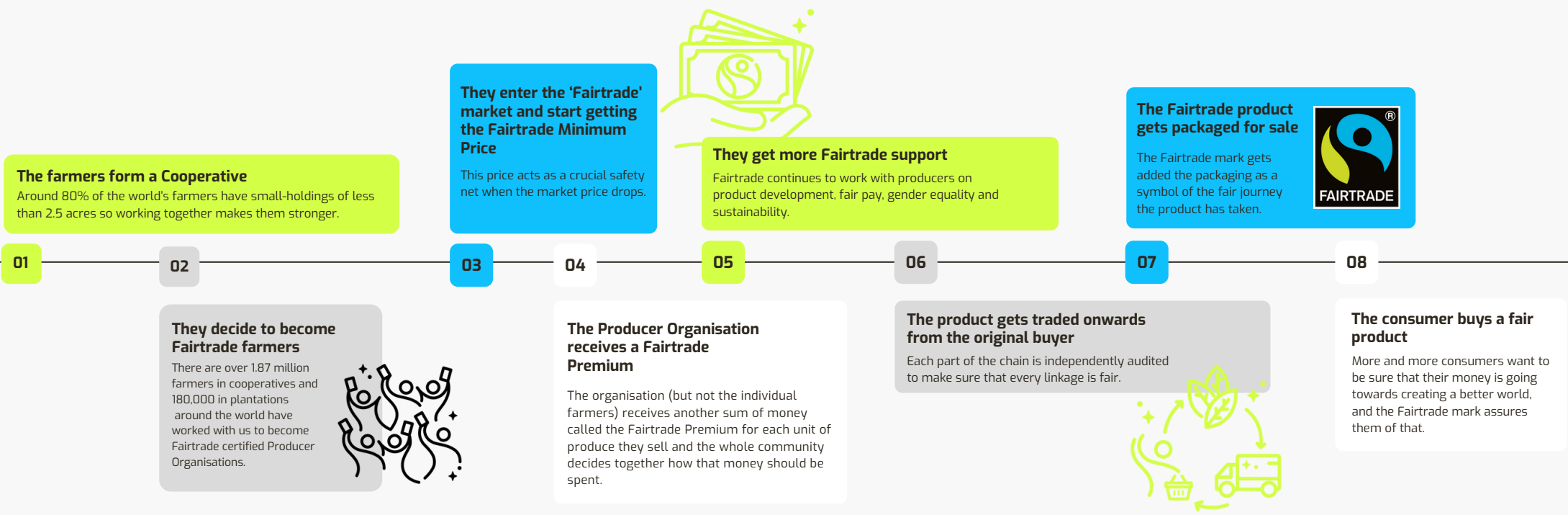
By partnering with Fairtrade, the most ethical and trusted certification in the world, you are joining a global movement for change.

As a result, working with Fairtrade means that you can build and maintain transparent and sustainable supply chains and actively demonstrate your commitment to improving the lives of farmers and workers.

Fairtrade believes that the best way to eliminate poverty is to pay farmers a fair price for their produce and workers a fair wage for their labour. Together, we can work towards achieving an end to poverty in all its forms everywhere.



# The journey of a Fairtrade product



# Fairtrade overview

## Fair price

The Fairtrade System ensures producer organisations receive a fair price, the Fairtrade Minimum Price, for their products. This price is set in consultation with producers and traders.

The Fairtrade Minimum Price helps to protect farmers from damaging fluctuations in world market prices and supports them to plan for the future.

Fairtrade is the only ethical label with a guaranteed Minimum price for almost every commodity it certifies.



## Fairtrade Premium

The Fairtrade Premium is an extra sum of money on top of the Minimum Price that is paid into a communal fund for the producers.

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 what investment is most important to them. For example they might choose education initiatives, healthcare projects or agricultural training.

Fairtrade is the only ethical label with a Premium for all commodities.

## Producer ownership and empowerment

The Fairtrade System is based on transparent and democratic principles. Fairtrade farmers and workers have representation at all levels of governance, including 50% of decision making power in the general assembly.

This allows producers to be involved in the direction of the organisation and determine their own futures.

Fairtrade is the only ethical label where 50% of the system is producer owned.

## Addressing global issues

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.

Fairtrade is the leading label for systematically addressing global issues like slavery, gender empowerment and the protection of the environment.

For more information about Fairtrade Standards, Minimum Prices and Premium, visit:  
<https://fairtradeanz.org/what-is-fairtrade/how-fairtrade-works>

# Fairtrade Standards

Fairtrade has a set of 'Standards' that everyone in our system must meet. The Standards address issues like discrimination, fair working conditions, child labour, access to finance and environmental protection.

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

We work with each supplier to assist them to meet the Standards. For farmers that means we have an ongoing relationship to help them to farm sustainably, have good governance, provide opportunities for women and improve working conditions.

We also support them through projects like pre-financing initiatives and facilitating long term partnerships so they can grow and take control of the trading process.



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 ingredients 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](http://www.fairtrade.net/standards)



# 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.

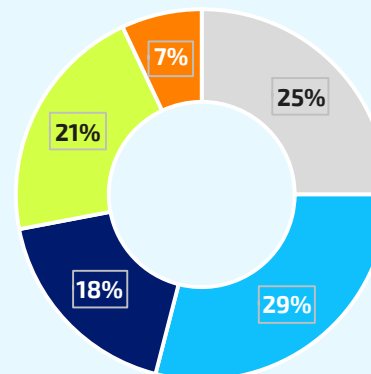


## Our Work

1. Deliver benefits for small-scale farmers & workers in the Asia-Pacific region.
2. Build sustainable supply chains around the world and create market access for Fairtrade producers 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.

## Income and expenditure



- Pacific Producer Support
- Awareness and Business Development
- Fairtrade Certification and Licensing Services
- Office Management and Governance
- Support for Fairtrade's International Producer Programs

30% of our license fee income goes to Fairtrade International and of that they spend 47% on direct producer services.

# Why partner with Fairtrade?



# Reasons to become a licensee



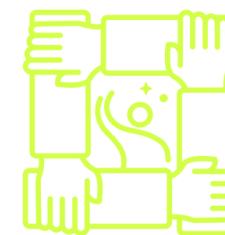
## Consumer trust and awareness

Fairtrade is the most trusted ethical label in the world so by partnering with us, you are showing your customers that you are seriously committed to making your supply chain FAIR. And we know that's something that more and more consumers care about - so being Fairtrade is not only good for people and planet, it's also good for business.



## Worldwide possibilities

Fairtrade is a global system recognised internationally. That means that once you are a Fairtrade licensee, you have the opportunity to sell your products anywhere in the world. It also means that if you decide to expand into other Fairtrade certified product categories, you only have to pay a single licensee fee.



## A community of like-minded businesses

As a Fairtrade licensee, you join a group of globally recognised companies who are trying to make trade fairer. As part of this community you'll be invited to speak out together with Fairtrade but also with other businesses in our system that have the same values as you do. Together, our voices are louder.

# We will support you

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.

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

## Certification and Licensing

Support in registering Fairtrade products and complying with composition requirements

Support in sourcing ingredients and connection to supply chain actors

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

## Communication and Promotional Opportunities

Access to a local marketing team who will work together with you to tailor your Fairtrade messaging for your audience

Provision of farmers stories and case studies as they relate to your product

Opportunities for collaborative marketing with Fairtrade and other licensees including connections through private Linked In group for licensees

Access to general marketing assets including social media posts, photos, blogs and specialised toolkits in line with campaigns

Access to Fairtrade brand research and other industry reports

Promotion through Fairtrade's website, supporter newsletter and influencer program

# 1% for the planet



**Double your impact: Fairtrade is an official partner of 1% for the Planet. That means your entire Fairtrade licensing fees can count towards your business's 1% commitment!**

## Your Licensing Fee contribution

You earn 1% for the Planet certification by contributing 1% of your annual sales to environmental causes. Because we are an official partner, 100% of your licensing fees can go towards your commitment. You can use your quarterly invoice to prove your contribution so there is no extra paperwork needed from us.

## Why choosing 1% is good for business

Consumers across the Australia and New Zealand are demanding more. According to the GlobeScan Fairtrade Consumer Insights Report 2021, 36% of shoppers in Australia and New Zealand consider child labour when making purchasing decisions, 29% consider reduction in chemicals and 27% are concerned about deforestation and improving land management.

**By partnering with both Fairtrade and 1% for the Planet – you are showing you care about the people and places behind your goods.**

# 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.



## Mass Balance

Under mass balance, companies may mix Fairtrade and non-Fairtrade products (such as cocoa and sugar) during the manufacturing process as long as the actual volumes of sales on Fairtrade terms are tracked and audited through the supply chain.



## 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, then it is the product that must be used.

Examples of Fairtrade composite products:

- Blended teas
- Chocolate
- Soft drinks



# 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 sourced ingredient

## Fairtrade Mark Vs Fairtrade Sourced Ingredient

The Fairtrade Mark is one of the most trusted ethical labels 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 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.



## FSI Composite Product

A composite product can be labelled with the FSI Mark if 100% of the relevant commodity is sourced as Fairtrade. For example, in an ice cream labelled as FSI vanilla 100% of the vanilla used in the product must be Fairtrade.

Examples of FSI composite products:

- Vanilla ice cream with Fairtrade sourced vanilla
- Chocolate covered nuts with Fairtrade sourced cocoa
- Hand cream with Fairtrade sourced coconut oil



# How to get involved

# Responsibilities as a partner



## 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.



## Use of the Fairtrade Mark

The Fairtrade Mark or FSI 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.



## Certification and audits

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).

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.



## 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.



## 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.

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.



# The Fairtrade licensee journey

## Application and verification

Fill in the application form and submit it for review

- Company information
- Products
- Recipes
- Supply chains

Download form at:  
<https://fairtradeanz.org/for-business/get-certified/get-started>

## Signing the license contract

Both parties sign the license contract

Receive a unique FLO ID number

## Product registration and artwork submission

Register each new product and submit the packaging artworks using the online portal FAIRTRADE CONNECT

## Auditing and certification

All certified licensees are audited to ensure compliance to the Fairtrade Standards and verify traceability of Fairtrade products.

## Sales reporting and fee payment

Report the sales every quarter and pay the respective license fees

# 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.

### 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.

### Size of the Mark

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



## Compulsory elements required on pack:

### Fairtrade statement

The Fairtrade Statement 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.

### Sample Statements:

#### Physically Traceable Statement

[Product] is Fairtrade certified, traded, audited and sourced from Fairtrade producers, total xx%. For more visit [fairtradeanz.org](http://fairtradeanz.org). FLO ID XXXXX

#### Mass Balance Statement

Fairtrade [Product] may be mixed (during processing) with non-certified [Product] on a mass balance basis, total xx%. For more visit [info.fairtrade.net](http://info.fairtrade.net). FLO ID XXXXX

### FLO ID

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

### 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.

# Contact us

For more information contact Fairtrade ANZ.

General queries: [info@fairtrade.com.au](mailto:info@fairtrade.com.au)

Licensing and certification: [licensing@fairtrade.com.au](mailto:licensing@fairtrade.com.au)