



**FAIRTRADE
FOUNDATION**

Fairtrade Standards for UK Operators

In four parts

Part 4 (of 4) – Additional requirements to have a product licensed for the FAIRTRADE Mark

These are the requirements relevant to companies wishing to have products registered to use the FAIRTRADE Mark and include: product composition for food, cosmetics and cotton and product labelling

The requirements in Part 2 also apply.

(see Part 3 for importing from Producers)

All companies registered with the Fairtrade Foundation must meet the relevant requirements and will be audited against them.

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<u>4.2 List of current versions for each Annex</u>			
4.2	List of current versions for each Annex	All licensees	Click here

Please note the Annexes will be updated regularly – if you have printed this off please check the website for the latest version.

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4.01 Labelling products

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, PACK AND LABEL THE PRODUCT IN ITS FINAL RETAIL, FOOD SERVICE, CATERING OR OUT OF HOME PACK

Refer to the appropriate Mark Manual for detailed requirements on using the FAIRTRADE Mark. All use of the Mark is subject to approval by the Fairtrade Foundation. See section 4.02 for details.

4.01.01 (S.T&C Article 6.3) The Licensee shall be responsible for ensuring that all other requirements (legal or otherwise) relating to labelling, packaging, advertising, and use of the FAIRTRADE Mark and other such matters are complied with and that all claims and statements relating to Fairtrade and the Fairtrade premium are accurate, up-to-date at the time of printing and can be substantiated.

Guidance: It is strongly recommended that all labelling and use of the FAIRTRADE Mark be cleared with the local Trading Standards Office to check that all legal requirements are observed, as the Foundation takes no responsibility for making this check.

4.01.02 The Licensee is responsible for:

1. Notifying the Foundation's Certification team of any changes to a previously approved product recipe by submitting a revised application form
and
2. Notifying the Foundation's Mark Management team of any associated labelling changes by submitting the revised artwork and relevant submission form

The product must then be re-certified and the revised artwork approved prior to the changes being implemented and the product put on the market.

Use of the Foundation's Licence Reference Code

4.01.03 The Licensee's FLO-ID, as allocated by the Foundation, must be used on the packaging of products where the licensee's name is not included (i.e. the licensee is not the brand owner) and in accordance with the requirements of the relevant packaging manual. Where packaging has already been approved at September 2009 (using the Licensee Reference Code, FFLicRefxxxx or FFLxxxxx) the packaging will need to be updated to use the FLO-ID by 31 December 2011.

Use of the term 'Fairtrade' in a product name

4.01.04 (S.T&C Annex A 6.2 & 6.3.3) The use of the term 'Fairtrade' must be used only in connection with the Fairtrade-certified element of the product on the product labelling and in associated promotional materials, whether by the licensee or the licensee's customers.

4.01.05 The term 'Fairtrade' must be used in the product title in accordance with the requirements of the relevant packaging manual.

Identification of Fairtrade certified components or ingredients

4.01.06 The Fairtrade certified components or ingredients must be clearly identified in accordance with the requirements of the relevant packaging manual.

Compulsory Fairtrade statement

4.01.07 A statement supporting the Fairtrade certified ingredients must be included on the packaging, as in accordance with the requirements of the relevant packaging manual.

4.01.08 Where the implementation of these standards, or a notification of a change to these standards requires existing artwork to be modified, this must be resubmitted within 24 months of the implementation date (unless it is a legal requirement). Existing packaging may be used up in the interim.

International markets and cross-border trade

4.01.09 The labelling of products intended for sale in countries other than the UK is subject to the requirements of the relevant Labelling Initiative.

Guidance: Advice should be sought from the Mark Management team regarding which of the manuals will apply for the destination country.

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4.02 Control of the FAIRTRADE Mark

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, PACK AND LABEL THE PRODUCT IN ITS FINAL RETAIL, FOOD SERVICE, CATERING OR OUT OF HOME PACK

Foundation policy: The FAIRTRADE Mark is a Certification Mark owned by FLO e.V. and is licensed to the Foundation for its registered licensees to use on Fairtrade-certified products. The Foundation exercises proper control over ownership, use and display of the Mark to protect its integrity, the integrity of the products and the reputation of the Fairtrade name.

Where the Foundation authorises the continuing use of the Mark on products of a type which have been evaluated, it will periodically evaluate the marked products to confirm that they continue to conform to the standards.

Incorrect references to the certification system or misleading use of schedules, certificates or the Mark, found on advertisements, catalogues, etc, shall be dealt with by appropriate action.

Conditions for use of the FAIRTRADE Mark (the Mark) on all products

- 4.02.01** The Mark may be used on the packaging and labelling of products meeting the requirements of these standards as specified on the Schedule C/Product Schedule, and subject to the conditions specified below.
- 4.02.02** (S.T&C Article 6.3) Prior to any product being placed on the market the artwork for all packaging, and any advertising & promotional material being produced for launch using or referring to the Mark must be submitted to the Foundation, using the relevant artwork submission form, for formal approval as to the manner and the context of the intended use of the Mark.
- 4.02.03** (S.T&C Article 6.3) The Operator shall not make use of any such designs or materials until they have been approved by the Foundation.
- 4.02.04** (S.T&C Article 6.1) The Mark must be used only in the form stipulated by the Foundation and shall be reproduced solely and without variation from the versions of the FAIRTRADE Mark approved by the Foundation. The instructions for use of the Mark are detailed in the manuals which will be provided upon signing of the Registration, Licensing and Certification Agreement. These manuals shall be strictly adhered to, unless specific exemption is granted in writing by the Foundation.
- 4.02.05** (S.T&C Article 6.2) All reasonable directions given by the Foundation as to the colouring, size, manner and disposition of the Mark on packaging and on advertising and promotional materials shall be observed.
- 4.02.06** The Foundation will periodically review the artwork and notify the Operator when changes are required.
- Guidance: From September 2008, the Foundation no longer requires its own variation of the Mark, which includes the additional statement – ‘Guarantees a better deal for third world producers’ – but requires that the International version be used, which does not include the statement. Operators will have until the end of 2010 to implement the change.*
- 4.02.07** Where the implementation of these standards, or a notification of a change to these standards, requires existing artwork to be modified, this must be resubmitted within the given time period of the implementation date. Existing packaging may be used up in the interim.

Misuse of the Mark

- 4.02.08** (S.T&C Article 6.4) Any packaging and/or advertising and promotional materials that, in the reasonable opinion of the Foundation, breach the conditions for use of the Mark or are a potential cause of confusion in the market shall be withdrawn from circulation.
- 4.02.09** (S.T&C Article 6.5) The Licensee shall not, without prior written consent of the Foundation, employ any other device that certifies or endorses any of the licensee’s products or part or all of its business in respect of fair, ethical or socially-responsible trading and that, in the reasonable opinion of the

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Foundation, competes with the Mark or is likely to cause confusion in the market.

4.02.10 (S.T&C Article 6.6) The Mark shall not be used in association with any other initiative denoting in any way fair, responsible or ethical trading terms or other trading terms favourable or of benefit to any other persons or organisation without the prior written consent of the Foundation. Such consent will not be unreasonably withheld or delayed.

4.02.11 (S.T&C Article 6.7) The Mark shall not be used as part of any corporate business or trading name or brand name or style of the licensee. In particular, the licensee shall avoid associating the Mark with any other of its products not covered by the Schedule to the Registration, Licensing and Certification Agreement, or implying in any way endorsement by the Foundation of such products.

4.02.12 (S.T&C Article 6.7) The Licensee shall refrain from making claims beyond those audited by the Foundation or its partners in connection with Fairtrade standards, which may damage the reputation of the Mark or the Foundation or, in the reasonable opinion of the Foundation, be a potential cause of confusion in the market.

4.02.13 (S.T&C Article 6.8) The use of the Mark shall at all times be in keeping with and seek to maintain the Mark's distinctiveness and reputation as determined by the Foundation. The licensee shall be required by the Foundation to cease or take any reasonable steps to rectify any use not consistent with these standards.

4.02.14 (S.T&C Article 6.9) In the event of any actions by the licensee in respect of any part of the above standards, which, in the opinion of the Foundation are a cause of potential confusion in the market, the Foundation shall notify the licensee of such and, following consultation, shall have the right to require appropriate action from the licensee to remedy the potential confusion. The licensee shall be allowed a reasonable time to comply with such requests, failing which the Foundation shall have the right to issue notice of termination in accordance with the Registration, Licensing and Certification Agreement.

Non-food and cotton products

4.02.16 The use of the Mark on non-food products such as flowers, cotton garments and sports balls is subject to the requirements specified in the relevant Fairtrade Foundation Packaging Manual

4.02.17 (S.T&C Annex A 6.2 & 6.3.3) The use of the Mark must be used only in connection with the Fairtrade certified element of the product on the product labelling and in associated promotional materials, whether by the licensee or the licensee's customers.

4.02.18 Cotton products must have the Mark label permanently sewn inside or with other identification e.g. swing tags.

International markets and cross-border trade

4.02.19 The use of the Mark on products intended for sale in other countries is subject to the requirements of the National Labelling Initiatives in those countries.

Guidance: Seek advice from the Mark Management team regarding which manual will apply for the destination country.

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4.03 Product composition – all products

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, PACK AND LABEL THE PRODUCT IN ITS FINAL RETAIL PACK READY TO SELL TO THE END CONSUMER OR IN A PACK SUITABLE FOR OUT OF HOME/CATERING SALES

Foundation policy: The Foundation is applying FLO Composite Product Policies and developing new policies with FLO to increase market access by producer organisations.

4.03 General requirements for all products

4.03.01 (FLO CP Guideline 3.1) All the components in a product for which FLO Part C Trade Standards for Fairtrade products exist, and which are available as Fairtrade certified, must be sourced from Fairtrade-certified producer organisations or registered traders.

Guidance: All the ingredients which can be Fairtrade must be Fairtrade certified.

Licensees must use the highest possible levels of Fairtrade ingredients and of their derivatives and are expected to exceed the minimum requirements.

Non-relevant ingredients

4.03.02 (ST&C 5.6.2) Ingredients or components not listed under the FLO Part C Trade Standards for Fairtrade Products, are 'non-relevant' products and do not require approval. However, they must be detailed in the application form to enable the percentages of Fairtrade certified ingredients to be calculated.

Guidance: Non-relevant ingredients include agricultural products produced in the developed world such as milk, cheese, yogurt, wool, lanolin etc.

Food additives with E numbers are also non-relevant.

4.03.03 Similarly, ingredients **produced in developing countries but which are not listed under the commodity headings** in the FLO Part C Trade Standards for Fairtrade products, are also classed as non-relevant products and do not require approval. They must also be detailed in the application form to enable the percentages of Fairtrade-certified ingredients to be calculated.

Guidance: For example, dried figs are dried fruit but are not listed in the Part C Trade Standards for Dried Fruit and are therefore non-relevant ingredients.

Similarly Bramley apples and Victoria plums are fresh fruit but are not listed in the Part C Trade Standards for Fresh Fruit and Vegetables and are therefore non-relevant ingredients.

4.03.04 (FLO CP Guidelines 3.2) If FLO approves a Part C Trade Standard for an ingredient or component for which no standard exists when a product is launched, the Operator must start sourcing these products from a Fairtrade certified source as soon as possible, and have done so within two years from the date the standard is published. This also applies to derivatives of Fairtrade certified products.

4.03.05 In this case, the finished products, packed in their retail packs and in the stream of commerce, may be marketed until all have been sold.

Exceptions

4.03.06 By exception from **4.03.01**, in exceptional circumstances where a Fairtrade certified product becomes unavailable on the market, the Foundation may grant a temporary exception for the use of a non-Fairtrade certified ingredient or component in a product if justified. The specific arrangements for different types of product are specified in sections **4.04 to 4.07** below. In each case the Operator must apply for an exception using the procedures as outlined in **Section 4.08**.

Guidance: Definitions of terms used in this section:

Derivative – A derivative is produced from a product listed under the FLO Part C Trade Standards for Fairtrade Products by a secondary processing operation, including but not restricted to milling, grinding, evaporation, freeze drying, distillation and solvent extraction and for which there is not a FLO standard for the Fairtrade price and/or premium. When a FLO Standard is produced for such a product (e.g. cocoa butter), it will be listed under

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the FLO Part C Trade Standards for Fairtrade Products and cease to be a derivative.

Composite ingredient/component – A component of a product that is made up of two or more ingredients. Food examples include condensed milk, praline or truffle centres for chocolates.

Quality – The product is fit for purpose. Failure to meet the specified quality can include: microbiology (contamination by micro-organisms), organoleptic problems (over-strong, off flavours or poor flavour), smell (musty), visual (appearance not acceptable to the consumer), infestation by insects and contamination by moulds or foreign bodies. Alternatively a Fairtrade product may be available but of such poor quality that it is not suitable for use in a high value product or where the quality is too high for it to be used in a low value product. A quality assurance report or lab test would be required to justify failure on these grounds.

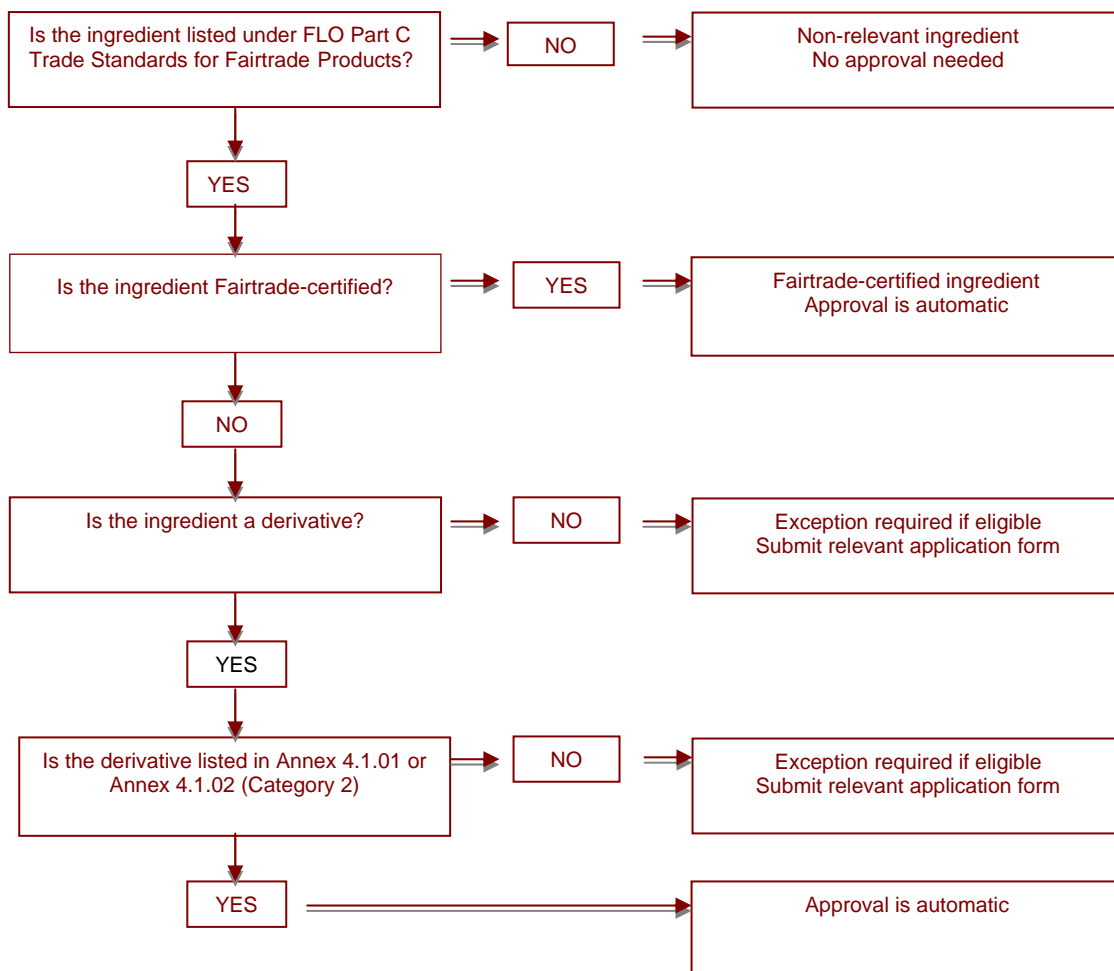
Taste – Some products will change the taste of the product from that intended. In a food product, dessert apples do not impart the sharpness that a cooking apple such as a Bramley or Granny Smith will to a cooked product.

Provenance – The source or place of origin of the product. This is linked to the product name, where the source, origin or variety of the characterising ingredient is mentioned. An organic and Fairtrade product must have certified organic ingredients in it. A traditional product such as Bramley apple pie requires that Bramley apples be used or a Seville orange marmalade, which must be made from Seville oranges and cannot have an alternative Fairtrade variety.

Specification – Some products need a particular physical formulation of an ingredient for technical reasons. A detailed technical justification will be required in such a case.

Decision tree

4.03.07 Use this decision tree for each ingredient or component in a composite product to determine whether an ingredient is non-relevant or is subject to an exception:



4.03.08 Additional requirements for derogated products are specified in the following sections.

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4.04 Finished food products packed for retail and catering sales

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, PACK AND LABEL THE PRODUCT IN ITS FINAL RETAIL PACK READY TO SELL TO THE END CONSUMER OR IN A PACK SUITABLE FOR OUT OF HOME/CATERING SALES

Foundation policy: The Foundation implements the policy for composite products established by FLO but may amend specific details to allow it to deal effectively with issues specific to the UK market.

Single ingredient products

4.04.01 A single ingredient product consists entirely of a single type of a Fairtrade ingredient. Such a product may comprise a blend of several ingredients or cultivars of the same product type (e.g. coffee) from one or more Fairtrade suppliers (e.g. a blend of Fairtrade coffees).

*Guidance: blends are **not** considered for exceptions to use a non-Fairtrade ingredient under 4.08.*

Composite products

4.04.02 (FLO CP Guideline 2. Scope) A composite product is defined as: a manufactured, finished or end-consumer product that is composed of more than one ingredient of which at least one is sourced from a Fairtrade certified producer organisation.

4.04.03 (FLO CPP 3.4) A composite product may be classed as a Fairtrade certified product when:

- a. More than 50% of the ingredients by dry weight are sourced as Fairtrade certified products
- b. In the case of liquid composite products, more than 50% of its volume is sourced as Fairtrade certified products

Guidance on percentage calculations for all products excluding fruit juices:

1. *Added water is always to be excluded from the Fairtrade percentage calculations.*
2. *The 'dry weight' percentages for products made from dry ingredients, such as a muesli composed of cereals, dried fruit, spices etc, may be calculated from the actual weights of the ingredients as they are added to the notional 'mixing bowl'. In this case, the ingredient percentages, as they appear in the ingredients panel according to Quantity of Ingredient Declaration (QUID) requirements, will be sufficiently accurate.*
3. *Where dry materials are added to water, such as when making a cola, the 'dry weight' percentage may be calculated from the actual weights of the ingredients as they are added to the 'mixing bowl'. In this case, the ingredient percentages, as they appear in the ingredients panel according to QUID requirements, will be sufficiently accurate.*
4. *Where the product contains both dry and liquid ingredients, such as an ice cream containing milk, cream, fruit, sugar, vanilla etc, or yogurt with dried fruit, the dry weight of the ingredients, as added to the 'mixing bowl', shall mean their dehydrated weight. In this case, the QUID percentages are not used in the Fairtrade percentage calculation but must be given in the ingredients panel.*
5. *Where a product contains both dry and liquid ingredients plus an additional composite ingredient, such as a chocolate with a praline centre, the ingredients for each component must also be converted to dry weight as in point 4. In this case, the QUID percentages are not used in the Fairtrade percentage calculation but must be given in the ingredients panel.*

Guidance on percentage calculations for fruit juices:

(FLO CPP 2003) For composite fruit juices made from juice concentrate, the >50% is to be applied to the volume % of the final juice, whereby each juice component must have at least the Brix degree as fixed in the AIJN Code of Practice.

6. *The Fairtrade percentage calculation for fruit juices is made on the basis of the volumes of juices added to the 'mixing bowl', but excluding added water. In this case, the QUID percentages may not be used in the Fairtrade percentage calculation but must be given in the ingredients panel.*

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4.04.04 (ST&C Article 5.6.4) A product with a Fairtrade-certified content of less than 50% of dry weight but with one type of 'significant' ingredient (see paragraph **4.04.05**) that constitutes 20% or more of the dry weight may be registered as a Fairtrade certified product.

4.04.05 A 'significant ingredient' of the product is defined as meeting one of the following criteria:

1. Eligible under the UK labelling standards to be part of the product's name. For example:
 - Orange juice drink of which the main ingredient is water but the significant ingredient is orange juice. For all beverages the AIJN Code of Practice applies.
 - Muesli with Fairtrade raisins, of which at least the raisins must be Fairtrade certified and represent at least 20% of the product's total dry weight.
2. An ingredient normally associated with the product such as cocoa in drinking chocolate.
3. An ingredient crucial to the formulation of the product, without which the product would not be viable, e.g. sugar in cakes and biscuits.
4. Other examples include cocoa in chocolate cookies/cakes, Coffee in instant cappuccino powder and the relevant fruit pulp/concentrate in jams, marmalades, compotes, yogurts.

4.04.06 (ST&C Article 5.6.5) A product with a Fairtrade certified content of at least 20% but less than 50% of dry weight and with no single ingredient constituting 20% or more of dry weight may be registered as a Fairtrade certified product where it can be demonstrated to the satisfaction of the Foundation that:

1. The interests of producer organisations are best served by allowing the product to be Fairtrade certified

and

2. The use of the ingredient will not cause confusion in the market or for the consumer.

Exceptions

4.04.07 In addition to paragraph **4.03.02**, to encourage the development of derivatives and composite ingredients, (see definitions **Part 1**) from Fairtrade certified products listed in the FLO Part C Trade Standards, the Foundation will normally require that all such derivatives and composite ingredients must be from a Fairtrade certified source if available, even where there is not a FLO standard set for the derivative.

However the Foundation recognises that some derivatives and composite ingredients are not currently available as Fairtrade certified and Operators may use these without applying for an exception.

These products are listed in **Annex 4.1.01**. They must be listed on the application form.

The Foundation may require additional information about the suppliers and/or usage.

Where a derivative is not listed in **Annex 4.1.01** and is not available from any supplier, an exception must be applied for as specified under **section 4.08**.

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4.05 Cotton products

THIS SECTION APPLIES TO OPERATORS WHO MANUFACTURE, PACK AND LABEL COTTON PRODUCTS

Foundation policy: This section incorporates the Fairtrade Certified Cotton Products Policy (12/11/08). The policy specifies the content and product requirements that enable cotton products to be labelled with the Certified Cotton FAIRTRADE Mark and/or use the term Fairtrade on labels.

The Fairtrade Labelling system aims to ensure maximum benefits back to producer organisations and requests all ingredients/components (for which there are Fairtrade standards) of a product carrying the FAIRTRADE Mark should be sourced from Fairtrade certified producer organisations on Fairtrade terms. The Foundation does however recognise that, for a variety of reasons, this is not always possible (e.g. for technological or supply chain reasons) and so does allow the labelling of composite products where not all components are Fairtrade sourced in order to:

- *Increase market access for Fairtrade producer groups*
- *Expand the range of Fairtrade labelled products*
- *Assure the credibility and reputation of the Fairtrade labelling system*

Scope

4.05.01 These standards define the conditions under which cotton products can be labelled as Fairtrade and with the FAIRTRADE Mark and applies to the following categories of product:

Category	Product composition	Description and examples	Qualifying statements
A	Single textile fibre products (100% cotton products)	Products made with 100% Fairtrade-certified cotton i.e. towels	All cotton in this product is Fairtrade certified cotton
B	Blended textile fibre products	Products made with Fairtrade certified cotton blended with other fibres i.e. socks	Fairtrade certified cotton is 50% or more of the finished weight of the fabric e.g. 60% Fairtrade certified cotton, 40% nylon
C	Multi-component textile products	Products made with Fairtrade certified cotton parts combined with other textile parts i.e. cotton covered cushions with another non-cotton textile filling, cotton curtains lined with non-cotton textile etc	A significant part of the product is cotton. The essential nature, character and appearance of the product is cotton. All cotton in this product is Fairtrade certified cotton.
D	Multi-component textile & non-textile products	Products made with Fairtrade certified cotton parts combined with non-textile parts i.e. cotton canvas trainers	A significant part of the product is cotton. All cotton in this product is Fairtrade certified cotton.

General requirements

4.05.02 The Operator must ensure that the product is compliant with the Textile Products (Indications of Fibre Content) Regulations 1986 and/or all other relevant legislation.

Exclusions

4.05.03 The Foundation's labelling requirements for cotton products exclude the following non-relevant components:

- Edgings and trimmings which are not an integral part of the product. Filling is considered to be a component rather than a trim.
- Buttons and buckles which are covered with textile materials
- Accessories, decorations, non-elastic ribbons, elastic threads/bands added at specific/limited points of the product
- Pocket linings and constructed waistbands

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Guidance: *Stitching is currently an exclusion*

Specific requirements

Category A: Single textile fibre products (i.e.100% cotton)

4.05.04 All of the cotton used within a finished product must be sourced from a Fairtrade certified producer organisation.

Guidance: This category covers products made entirely with cotton, for example 100% cotton towels and T-shirts.

Category B: Blended textile fibre products


4.05.05 All of the cotton used in the finished product must be sourced from Fairtrade certified producer organisations and the cotton must constitute at least 50% of the finished product.

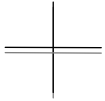
4.05.06 When blended fabrics containing cotton are blended with other fibres, the cotton must be 50% or more in the finished fabric. The Foundation acknowledges that, for functional reasons, the composition of the finished fabric can be achieved in different ways, either by blending the fibres and/or mixing yarns of different composition.


Guidance: This category covers products made of cotton blended with other fibres or other yarns, for example poly-cotton pillowcases and T-shirts or cotton/lycra jeans.

The Foundation acknowledges that, for functional reasons, the composition of the finished product can be achieved in different ways, either by blending the fibres and/or mixing the yarns of different composition. These standards are set based on the finished composition of the fabric.

Examples of various ways of blending;

	<i>Weft 65/35 poly/Fairtrade certified cotton</i>	Approved as 67.5% Fairtrade
<i>Warp 100 Fairtrade certified cotton</i>		

	<i>Weft 50/50 poly/Fairtrade certified cotton</i>	Approved as 50% Fairtrade
<i>Warp 50/50 poly/Fairtrade certified cotton</i>		

	<i>Weft 65/35 poly/Fairtrade certified cotton</i>	Not approved as only 35% Fairtrade
<i>Warp 65/35 poly/Fairtrade certified cotton</i>		

Category C: Multi-component textile products

4.05.07 The cotton part of the product must be 100% cotton. Blended cotton must not be used in a multi-component product.

Guidance: This category covers products made of cotton fabrics with fabrics of other compositions and includes filled products, for example pillows and duvets (with a 100% cotton cover and polyester filling) and non-filled products, for example cotton T-shirts with silk panels/appliqués or a jacket with silk lining.

Each product application must be submitted together with a visual and a specification of the product.

The guiding principle is that a significant part of the product must be made from cotton and the essential nature, appearance and performance of the product must be characterised by being made of cotton.

This will be assessed by the Fairtrade Foundation, with reference to the Certification Committee if required, using the following criterion as a guide: Would the consumer recognise cotton as being a defining or significant element of the product?

Examples:

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- a. Filled products such as duvets and pillows made with a 100% cotton cover and hollow fibre filling would be acceptable, as the consumer would reasonably understand the cotton component of the product.
- b. Oven gloves would be acceptable, where the outer cover is 100% cotton with polyester wadding and lining. **Category D: Multi-component textile and non-textile products**

4.05.08 The cotton part of the product must be 100% cotton. Blended cotton must not be used in a multi-component product. See paragraph **4.05.06** – Single textile fibre products (100% cotton products) above.

Guidance: This category encompasses products made up of cotton parts combined with non-textile parts such as leather, wood, feathers or metal. Examples of such products include cotton canvas trainers and garden parasols.

Each product application must be submitted together with a visual and a specification of the product.

The guiding principle is that a significant part of the product must be made from cotton and the essential nature, appearance and performance of the product must be characterised by being made of cotton.

This will be assessed by the Fairtrade Foundation, with reference to the Certification Committee if required, using the following criterion as a guide: Are as many components as possible made from cotton?

Examples:

- a. Filled products such as duvets and pillows made with a 100% cotton cover and feather filling would be acceptable, as the consumer would reasonably understand the cotton component of the product.
- b. A garden parasol made with a 100% cotton shade would also be deemed acceptable.
- c. Trainers made of leather or synthetic uppers with cotton laces and inner would not be accepted as a consumer would reasonably expect the defining part of the product to be associated with the FAIRTRADE Mark.

Labelling

Guidance:

- As outlined in relevant Fairtrade Mark Manual the Fairtrade component should be clearly identified and described on labelling and packaging.
- Where different components are used as in category C and D these should be identified separately and labelled in accordance with relevant legislation and the relevant Fairtrade Mark Manual.

Decision-making process

Guidance:

- The Foundation reserves the right to judge whether the nature/type of a product may present additional risks to the credibility of the FAIRTRADE Mark. In these cases, risk will need to be discussed, managed and addressed with the applicant if necessary before a product can be approved. The purpose of this discussion will be to ensure that the FAIRTRADE Mark is used to deliver substantive and proportionate benefits to the producers involved.
- If the Foundation deems that a product is not suitable to carry the FAIRTRADE Mark, the rationale will be provided to the applicant explaining how the decision was reached within eight weeks of the initial application.
- In recognition of the subjective nature of the composite product rules in relation to multi-component products, the Fairtrade Foundation will maintain a record of all successful multi-component product-labelling applications together with the rationale underpinning the decision. This record will be made available to licensees to demonstrate consistent decision-making, and provide a guide for future decisions taken on related products.
- For category C lined products if it can be demonstrated that the functionality of a product will be affected the Foundation will accept a blended textile fibre lining (see Category B) where the cotton must comprise at least 50% (by weight) of the finished product
- In exceptional circumstances, the Fairtrade Foundation may grant a temporary exception for the use of non-Fairtrade-certified cotton in FAIRTRADE labelled cotton products. The licensee must apply for an exception using the Foundation's procedures as outlined in **section 4.08**

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4.06 Cosmetics and personal care products

THIS SECTION APPLIES TO OPERATORS WHO MANUFACTURE, PACK AND LABEL COSMETICS AND PERSONAL CARE PRODUCTS

Foundation policy: This section incorporates the Foundation's Formulation Policy for Cosmetics and Personal Care Products (8/12/2008). The policy specifies the formulation and product requirements that enable cosmetics and personal care products to be labelled with the FAIRTRADE Mark and/or use the term Fairtrade on the label.

Scope

4.06.01 The term **cosmetics and personal care products** used in this policy includes all cosmetics, toiletries, and fragrance products.

4.06.02 These standards define the conditions under which cosmetic and personal care products can be labelled as Fairtrade and with the FAIRTRADE Mark and applies to the following two broad categories of product:

Category	Type of product	Description	Examples
A	Generally, but not always, 'leave-on' products.	Typically characterised by higher levels of oils and waxes. Treatment products such as face masks and scrubs and conditioning products for hands and body are included in Category I as these can contain higher levels of Fairtrade ingredients.	Lotions, creams, butters, balms (body, hand, hair) Massage, body oils Body/hand scrubs Face/body/hair masks Hair removal products Colour cosmetics, lipsticks, lip gloss, face/eye make up
B	Generally, but not always, 'wash off' products.	Typically characterised by higher levels of cleansing ingredients such as soap and surfactants.	Shampoos Hair conditioners 2 in 1 shampoo/ conditioners 2 in 1 shampoo/ body washes Bath/shower gels Shaving creams Soaps Liquid soaps Toothpaste

Requirements

4.06.03 The Operator must ensure that the product is compliant with applicable legislation regarding the manufacture and sale of cosmetics and personal care products.

4.06.04 The minimum threshold percentages, shown in the table below, shall apply and are calculated on a whole formulation basis, not including packaging.

Category	Minimum threshold percentage of Fairtrade ingredients as a percentage of the whole formulation including water. *
A	Not less than 5%
B	Not less than 2%

*In so far as such levels are safe under normal or reasonably foreseeable conditions of use.

4.06.05 The formulation requirements for derivatives are as follows:

- When the 'input' weight of the Fairtrade certified ingredient is less than the 'output' weight of the derivative (e.g. liquid extracts, surfactants, etc) the equivalent weight of the Fairtrade certified ingredient used in the derivative will be taken into account in the formula and not the % weight of the derivative.
- The manufacturer of a cosmetic and personal care product containing one or more derivatives made with/from Fairtrade certified ingredients, referred to in **Annex 4.1.02**, is required to report a validated conversion factor in order to calculate the equivalent weight of Fairtrade certified

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ingredient used in the derivative.

- c. When the 'input' weight of the Fairtrade certified ingredient is more than the 'output' weight of the derivative then the weight (% w/w) of the derivative used in the product is taken into account in the formula, not the equivalent weight of original Fairtrade certified ingredient.

4.06.06 Floral waters are excluded from Fairtrade labelling rules so as to avoid reaching minimum threshold using ingredients that give limited value back to producers.

Exceptions

4.06.07 By exception from paragraph **4.03.01**, the Foundation may grant an exception for the use of a non-Fairtrade ingredient where it can be demonstrated that it is not available from a Fairtrade certified source.

Annex 4.1.02 contains a consolidated list of INCI names related to existing Fairtrade standards for cosmetic ingredients, to determine whether or not an exception is required. This is in two categories:

- Category 1 – Ingredients that are listed in the FLO Part C Trade Standards and the Foundation considers can be obtained from a Fairtrade source. If a non-Fairtrade version is to be used an exception must be applied for, using the procedures as outlined in **Section 4.08**.
- Category 2 – Ingredients that have the potential to be obtained from a Fairtrade source. An exception is not required but the Foundation will request information regarding the suppliers and quantities to be used so that their use can be monitored to determine the feasibility of generating a supply chain.

The list will be periodically updated and, where an ingredient is moved to Category 1, the Operator will be notified of the change.

Cross-border sales

4.06.08 The Standards for Cosmetic & Personal Care Products are a Foundation policy and therefore initially such products are only for sale within the UK market and the Republic of Ireland.

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4.07 Other products

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, MANUFACTURE, PACK AND LABEL PRODUCTS SUCH AS FLOWERS AND SPORTS BALLS

Flowers

4.07.01 In the case of flowers imported as bouquets from the producer organisations, all the flower stems **and foliage** must be Fairtrade certified.

Sports balls

4.07.02 There are no additional requirements for sports balls.

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4.08 Exception to the Fairtrade standards – use of non-Fairtrade ingredients where a Fairtrade product standard exists

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, PACK AND LABEL THE PRODUCT IN ITS FINAL RETAIL PACK READY TO SELL TO THE END CONSUMER OR IN A PACK SUITABLE FOR OUT OF HOME/CATERING SALES

Foundation policy: To maximise the trade in Fairtrade certified products and the returns to the producers, the Foundation may derogate the use of non-Fairtrade certified ingredients in composite products under certain circumstances. In addition, the Foundation may grant other exemptions specified in these standards.

Use of non-Fairtrade certified products

4.08.01 When deciding whether an exception is needed, the interpretation and decision tree in paragraph **4.03.07** should be used.

4.08.02 When deciding whether to grant an exception, the Foundation shall take the following criteria into consideration:

1. The application for the exception must be submitted and formally approved before the ingredient is used.
2. It is not possible to source the product as Fairtrade certified.
3. The credibility of the Fairtrade system is not undermined by the exception.
4. Producer organisations will receive significant benefit from this action.
5. The Operator is up-to-date and accurate with their flow of goods reporting and payments.

4.08.03 The Foundation will consider the application according to its procedures and:

1. Will reject it if it is aware of a Fairtrade certified version of the ingredient available on the market.
2. If accepted, will specify the exception, conditions of use and time limit and detail this on the **Schedule G** (once this is implemented)

4.08.04 Derogated ingredients must not be identified as Fairtrade on the packaging. The Operator must submit designs showing the derogated ingredients correctly identified as non-Fairtrade, using the relevant artwork submission form.

4.08.05 Where approved, the Foundation will notify the Operator when the exception is due to expire and when a Fairtrade certified version of the ingredient becomes available.

4.08.06 Before an exception application can be considered, the Operator must collaborate with the Business Development unit to identify all possible suppliers, must have tried to source from these suppliers and have obtained documentary evidence demonstrating the non-availability of the ingredient.

4.08.07 The Operator will be required to implement the procedure in **Section 4.09** wherever appropriate.

Food products

Food ingredients other than derivatives

4.08.08 In accordance with paragraph **4.04.07**, the Foundation may consider an application to use a non-Fairtrade certified ingredient in a composite product even though a FLO Part C Trade Standards for Fairtrade Products exists for that ingredient, where the ingredient ceases to be available, or is not available in the form required.

4.08.09 When requesting approval of products containing non-Fairtrade certified ingredients, the Operator shall, separately for each ingredient:

1. Supply the completed Exception Form
2. Submit written evidence from at least three suppliers of the ingredient confirming why the use of

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the relevant ingredient or component certified to Fairtrade standards is not possible.

3. Provide an auditable action plan to remedy the problem and secure supplies in the future.

Guidance: An auditable action plan would include a timetable for periodic discussions with the Business Development Manager, suppliers and, where relevant, producers, in order to develop new sources or monitor when new supplies will become available. This should be done at least every four months.

Food derivatives

- 4.08.10** In accordance with paragraph **4.04.07**, where a derivative is not listed on the **Annex 4.1.01** the Operator must apply to the Foundation for an exception for each ingredient by completing the Exception Form. Including submitting evidence from their principle supplier on why it is not possible to supply the derivative as Fairtrade.

Cotton products

- 4.08.11** The Foundation may grant a temporary exception for use of non-Fairtrade certified cotton in a cotton product. When applying for this exception, the Operator shall:

1. Supply the completed relevant exception form
2. Submit written evidence from at least three suppliers confirming why the use of the cotton certified to Fairtrade standards is not possible
3. Provide an auditable Action Plan to remedy the problem and secure supplies in the future.

Guidance: An auditable action plan would include a timetable for periodic discussions with the Business Development Officer, suppliers and, where relevant, producers, in order to develop new sources or monitor when new supplies will become available. This should be done at least every four months.

Cosmetic products

- 4.08.12** In accordance with paragraph **4.6.07**, the Foundation may grant a temporary exception to use a non-Fairtrade certified ingredient listed in **Annex 4.1.02**, where it can be demonstrated that it is not available from a Fairtrade certified source. When applying, the Operator shall:

1. Supply the completed exception form
2. Submit written evidence from at least three suppliers confirming why the use of the ingredient certified to Fairtrade standards is not possible.
3. Provide an auditable action plan to remedy the problem and secure supplies in the future.

Guidance: An auditable action plan would include a timetable for periodic discussions with the Business Development Manager, suppliers and, where relevant, producers, in order to develop new sources or monitor when new supplies will become available. This should be done at least every four months.

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4.09 Exception to Fairtrade Standards – product compensation

THIS SECTION APPLIES TO OPERATORS WHO PROCESS, PACK AND LABEL THE PRODUCT IN ITS FINAL RETAIL PACK READY TO SELL TO THE END CONSUMER OR IN A PACK SUITABLE FOR OUT OF HOME/CATERING SALES

Guidance: Product compensation is defined as where a conventional material is used in the manufacture of a Fairtrade certified product and an equivalent quantity of Fairtrade certified material is then used to make a non-Fairtrade certified product. This will ensure that the producer organisation is compensated for the loss of product that would have otherwise been used in the Fairtrade certified product.

4.09.01 Applications for product compensation will be considered only in exceptional circumstances such as where crops are lost due to catastrophic events such as hurricanes, sudden floods, earthquakes, riots or war.

4.09.02 When deciding whether to approve an application, the Foundation will consider the following:

1. It is not possible to source the product as Fairtrade certified.
2. It will be possible within a reasonable time to source the product as Fairtrade certified in sufficient quantities not only to make compensation but also to fulfil the ongoing product needs.
3. It will be impossible to produce the product without it.
4. The approval will not undermine the credibility of the Fairtrade system.
5. The quality of the non-Fairtrade product used is at least as good as the Fairtrade certified product.
6. There is a substantial benefit to producers.
7. The problem cannot be solved by retroactive product certification.
8. The trader is up to date and accurate in their flow of goods reporting and payment of fees.

4.09.03 Product compensation will not be permitted for fresh fruits and other such perishable products unless specifically permitted in the FLO Part C Trade Standards for Fairtrade Products, such as Part C for bananas and fresh fruit.

Product compensation procedure

4.09.04 The Operator shall:

1. Contact their Business Development Manager at the Foundation to discuss the problem.
2. Supply the completed relevant form for exceptions with the reasons for the need to use the conventional product.
3. Resubmit designs, using the Form for Artwork Submission. If the application is accepted, purchase the compensating Fairtrade certified product after the quarter in which the conventional material was used.
4. Report the compensation in their quarterly reports, including details of the Fairtrade certified and conventional products used.
5. Keep full documentary records to enable the product compensation transactions to be audited and to demonstrate the traceability so that product lots can be identified.

4.09.05 If accepted, the Foundation will specify the scope of the approval for product compensation on the relevant schedule.

4.09.06 The Operator must supply a copy of the document to their customer(s).

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