



Fairtrade Standard for Fresh Vegetables

Applies to: Hired labour organizations and traders

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For further information and standards downloads:
www.fairtrade.net/standards.html



Content

Introduction	3
How to use this Standard	3
Product description	3
Price and Fairtrade Premium	3
Scope	4
Application	4
Definitions	4
Monitoring of changes	5
Change history	5
1. General Requirements	6
2. Social Development	6
2.1 Capacity Building	6
3. Labour Conditions	7
4. Environmental Development	7
5. Trade	7
5.1 Sourcing	7
5.2 Contracts	8
5.3 Pre-finance	8
5.4 Pricing and Payment Terms	9



Introduction

How to use this Standard

The Fairtrade Standard for Fresh Vegetables covers the requirements which are specific to fresh vegetables producers and traders.

Fairtrade fresh vegetables producers must comply with the Fairtrade Standard for Hired Labour and the Fairtrade Standard for Fresh Vegetables. For producers this standard complements, and should be read together with, the Fairtrade Standard for Hired Labour.

Fairtrade fresh vegetables traders must comply with both the Fairtrade Trader Standard and Fairtrade Standard for Fresh Vegetables. For traders this standard complements, and should be read together with, the Fairtrade Trader Standard.

In cases where this standard differs from the Fairtrade Standard for Hired Labour or the Fairtrade Trader Standard on the same topic, the requirements presented in this standard apply.

Product description

This standard covers the purchase and sale of fresh vegetables. Fairtrade vegetables are all varieties of fresh vegetables and edible roots and tubers for which Fairtrade prices exist.

This standard also covers secondary products and their derivatives. A secondary product can be a by-product, a co-product or a residue produced in the country of origin.

The definition of secondary products is included in the [Fairtrade Trader Standard](#). An explanatory note for secondary products and a non-exhaustive list of products fitting in the secondary products definition is available on the [Fairtrade International website](#).

Price and Fairtrade Premium

Fairtrade Minimum Prices and Premiums for fresh vegetables are listed in the [pricing database](#), which is published on the Fairtrade website.

There are no Fairtrade Minimum Prices defined for secondary products and their derivatives. The prices of these products, from any origin, are negotiated between sellers and next buyers. A default Fairtrade Premium of 15% of the negotiated price must be paid in addition.

Chapters

The Fairtrade Standard for Fresh Vegetables has five chapters: General Requirements and Commitment to Fairtrade, Social Development, Labour Conditions, Environmental Development and Trade.

Structure

In each chapter and section of the standard you will find:

- The **intent** which introduces and describes the objective and defines the scope of application of that chapter or section;
- The **requirements** which specify the rules that you must adhere to. You will be audited according to these requirements; and



- The **guidance** provided to help you to interpret the requirements. The guidance offers best practices, suggestions and examples of how to comply with the requirement. It also gives you further explanation on the requirement with the rationale and/or intention behind the requirement. You will not be audited against guidance.

Requirements

In this standard you will find one type of requirement:

- **Core requirements** which reflect Fairtrade principles and must be complied with. These are indicated with the term 'Core' found in the column on the left throughout the standard.

Scope

This standard applies to all Fairtrade fresh vegetables producers and all companies that buy and sell Fairtrade fresh vegetables. All operators taking ownership of Fairtrade certified products and/or handling the Price and Fairtrade Premium are audited and certified.

Different requirements apply to different companies depending on their role in the supply chain. You can find if a requirement is applicable to you in the column "Applies to".

This standard applies to Africa, Latin America and the Caribbean only and to all products for which a Fairtrade Price and/or Premium is set.

Application

This version of the Fairtrade Standard for Fresh Vegetables was published on 19 August 2016 and is applicable from 1 November 2016. This version supersedes all previous versions and includes new and changed requirements. New requirements are identified in this standard by the word "**NEW**".

Definitions

Company: In this standard, company refers to the Hired Labour operator certified to sell fresh vegetables as Fairtrade.

Migrant worker is a person who moves from one area within her or his own country or across the borders to another country for employment. For purposes of interpreting requirements in this standard, a migrant worker works for a limited period of time in the region that he/she has migrated to. Workers are not considered migrant after living one year or more in the region where they work, and if either a permanent position has been granted by the employer or legal permanent resident status has been granted.

Seasonal worker refers to a worker whose work by its character is dependent on seasonal conditions and is performed only during part of the year.

Workers are defined as all workers including migrant, temporary, seasonal, sub-contracted and permanent workers. Workers are waged employees, whether they are permanent or seasonal/temporary, migrant or local, subcontracted or directly employed. Workers include all hired personnel whether they work in the field, in processing sites, or in administration. The term is restricted to personnel that can be unionised and therefore middle and senior (management) and other professionals are generally not considered workers.

For a comprehensive list of definitions see the [Fairtrade Standard for Hired Labour](#).



Monitoring of changes

Fairtrade International may change Fairtrade standards as explained in Fairtrade International's Standard Operating Procedures, see (www.fairtrade.net/standards/setting-the-standards.html). Fairtrade Standard requirements can be added, deleted, or changed. If you are Fairtrade certified, you are required to check the Fairtrade International website regularly for changes to the standards.

Fairtrade certification ensures that you comply with Fairtrade Standards. Changes to Fairtrade Standards may change the requirements of Fairtrade Certification. If you wish to be or are already Fairtrade certified, you are required to check the compliance criteria and certification policies on the certification body's website regularly at www.flo-cert.net.

Change history

Version number	Date of publication	Changes
01.05.2011_v1.0	01.05.2011	Changes based on new product classification
01.05.2011_v1.1	28.09.2012	<ul style="list-style-type: none">• Reorganization of requirements according to New Standards Framework• Minor change in payment terms
01.05.2011_v1.2	17.10.2013	Exemption from outgrowers scheme related requirements to companies in Northern Africa
01.05.2011_v1.3	01.06.2014	Updated reorganization of requirements and terminology according to NSF and revised Hired Labour Standard v. 15.01.2014_v.1.0
01.09.2016_v1.0	19.08.2016	Full standard review: <ul style="list-style-type: none">• Deletion of requirements related to outgrowers scheme• Revised product description to include roots and tubers• Alignment with Trader Standard• Simplification of wording, reorganization of requirements, inclusion of definitions sections, and new standard design



1. General Requirements

There are no additional requirements.

2. Social Development

Intent: This chapter outlines the requirements that are unique to Fairtrade and intends to lay the foundations for producer empowerment and development to take place.

2.1 Capacity Building

2.1.1 Needs assessment for migrant and seasonal workers

Applies to: Companies in Latin America and the Caribbean	
Core	You carry out a needs assessment of the migrant and seasonal workers and how to improve their working conditions.
Year 1	<p>The needs assessment identifies and prioritizes the needs of the migrant and seasonal workers in terms of freedom from discrimination, freedom of labour, freedom of association and collective bargaining, conditions of employment, occupational health and safety as well as economic development following the respective sections of the Fairtrade Standards.</p> <p>If migrant workers make up more than 25 % of the entire workforce, including seasonal employees, the needs assessment includes an assessment of the home community from which most migrant workers come.</p>
Guidance: You are responsible to carry out a needs assessment of the home community from which most migrant workers come. The Fairtrade Premium Committee may then suggest developing Fairtrade Premium projects in this community.	

2.1.2 Development plan for migrant and seasonal workers

Applies to: Companies in Latin America and the Caribbean	
Core	Based on the needs assessment (requirement 2.1.1) you create and implement a development plan for migrant and seasonal workers.
Year 1	
<p>Guidance: In particular, the implementation of the development plan for migrant and seasonal workers could include:</p> <ul style="list-style-type: none">• Specific awareness raising training or tools for migrant and seasonal workers• A plan for increasing participation of the migrant and seasonal workers in the Fairtrade Premium Committee• Implementing a reasonable method of paying for or reimbursing migrant employees for the cost of their travel to and from their home communities. This may not be deducted from workers' wages.• Supporting migrant and seasonal workers in obtaining the necessary legal documents (e.g. identity cards) to benefit from social security provisions.	



2.1.3 Consult Premium Committee and workers for development plan

Applies to: Companies in Latin America and the Caribbean	
Core	You consult the Fairtrade Premium Committee and the migrant and seasonal workers during the drafting of the development plan and discuss it with the General Assembly of workers.
Year 1	

3. Labour Conditions

There are no additional requirements.

4. Environmental Development

There are no additional requirements.

5. Trade

Intent: This chapter outlines the requirements that operators need to comply with when they sell Fairtrade products.

5.1 Sourcing

5.1.1 Sourcing plans

Applies to: Fairtrade payer and conveyor	
Core	You provide a sourcing plan on either a seasonal or quarterly basis. You renew sourcing plans a minimum of two weeks before they expire.
Year 0	

5.1.2 **NEW** Sourcing from Small Producer Organizations

Applies to: Companies in Africa except Northern Africa	
Core	You source at least 20% by volume of your total Fairtrade vegetables sales from Fairtrade certified Small Producer Organizations. In case you are not able to source at least 20% of your total Fairtrade vegetables sales from Small Producer Organizations, you provide evidence to the certification body why this is not possible.
Year 0	



Guidance: Reasons for not sourcing from Small Producer Organizations could include for example that there are no Small Producer Organizations in your region able to supply the required quality or type of vegetable. You would have to demonstrate that you have tried to source vegetables from Small Producer Organizations, and to clearly prove that it was not possible.

5.2 Contracts

5.2.1 Contracts between company and Fairtrade payer

Applies to: Companies and Fairtrade payers	
Core	<p>In addition to requirement 5.3.4 of the Fairtrade Standard for Hired Labour and requirement 4.1.2 of the Fairtrade Trader Standard, you ensure that Fairtrade purchase contracts include at least the following:</p> <ul style="list-style-type: none"> • FLO IDs of operators • Reference to Fairtrade as an integral part of the contract • Date of the contract • Duration of the contract • Product description • Specific Fairtrade Price and Premium for each product • Payment terms for Fairtrade Price and Premium • Volumes of Fairtrade products (minimum and maximum or fixed volume) • Reference to sourcing plans • Description of how the system of orders will function • Description of the liability of each party and the quality check procedure • Description of pre-finance mechanisms, if any
Year 0	

5.2.2 **NEW** Contracts between company and Small Producer Organization

Applies to: Hired Labour companies sourcing from Small Producer Organizations	
Core	<p>If you source vegetables from Small Producer Organizations (see requirement 5.1.2), you sign a purchase contract for Fairtrade products with the Small Producer Organization. You ensure that Fairtrade purchase contracts include at least the following:</p> <ul style="list-style-type: none"> • FLO IDs of operators • Reference to Fairtrade as an integral part of the contract • Date of the contract • Duration of the contract • Product description • Specific Fairtrade Price and Premium for each product • Payment terms for Fairtrade Price and Premium • Volumes of Fairtrade products (minimum and maximum or fixed volume) • Description of pre-finance mechanisms, if any • Procedures in case of quality problems • Deductions from price, if any
Year 0	



5.3 Pre-finance

The Fairtrade Trader Standard requirements on access to finance (section 4.4) do not apply. Pre-finance terms and conditions are negotiated between the company and Fairtrade payer and are included in the contract (see [requirement 5.2.1](#)).

5.4 Pricing and Payment Terms

Fairtrade Minimum Prices and Fairtrade Premium levels for Fairtrade products are published separately to the product Standards.

5.4.1 Payment terms FOB level

Applies to: Fairtrade payers	
Core	For sales at FOB level, if the vegetable is accepted by the importer after inspection in the port of destination, you pay the Hired Labour company within seven days of the arrival of the shipment at the destination
Year 0	<p>OR 15 days after the receipt of the documents transferring ownership.</p> <p>You agree with the Hired Labour company which of these payment terms applies and include this in the sales contract (see requirement 5.2.1).</p>

5.4.2 Payment terms EXW level

Applies to: Fairtrade payers	
Core	For purchases made at ex works level, you pay the Hired Labour company upon receipt of the product.
Year 0	

5.4.3 **NEW** Payment of market price or Fairtrade Minimum Price

Applies to: Hired Labour companies sourcing from Small Producer Organizations	
Core	If you source vegetables from Small Producer Organizations (see requirement 5.1.2), you pay at least the relevant market price or the Fairtrade Minimum Price (as defined in the Fairtrade pricing database) to the Small Producer Organization – whichever is higher.
Year 0	<p>The relevant market price is the price that prevails on the non-Fairtrade market for equivalent products.</p> <p>If the price you pay for the Fairtrade product significantly deviates from the relevant market price, you are able to provide a rationale/justification.</p>

5.4.4 **NEW** Transfer of Fairtrade Premium



Applies to: Hired Labour companies sourcing from Small Producer Organizations

Core	<p>If you source vegetables from Small Producer Organizations (see requirement 5.1.2), you pay the Fairtrade Premium to the Small Producer Organization, if the Fairtrade Premium is conveyed via your company.</p> <p>In case the Fairtrade Premium you receive from the Fairtrade Premium payer was set for a different product form than the one you are buying, you apply a conversion ratio in order to calculate the premium due to the producer. Calculations made need to be fair, transparent and shared with the Small Producer Organization.</p> <p>No discounts are allowed to be made from the Fairtrade Premium payment.</p>
Year 0	

5.4.5 **NEW** Payment terms

Applies to: Hired Labour companies sourcing from Small Producer Organizations

Core	<p>You pay the relevant market price or the Fairtrade Minimum Price to the Small Producer Organization within seven days after delivery of the product.</p>
Year 0	

5.4.6 **NEW** Timely transfer of Fairtrade Premium

Applies to: Hired Labour companies sourcing from Small Producer Organizations

Core	<p>You ensure that the correct amount of Fairtrade Premium is passed on to the Small Producer Organization within seven days after receipt of payment from the Fairtrade payer.</p>
Year 0	

5.4.7 **NEW** Deductions from price

Applies to: Hired Labour companies sourcing from Small Producer Organizations

Core	<p>You ensure that any deductions to be made from the price – for example as a result of the provision of credit, inputs, or services - have been made clear to the Small Producer Organization in advance of the production cycle, and are included in the Fairtrade contract.</p>
Year 0	



The English version of the standard is the official version. Fairtrade offers translations into other languages for information purposes only. Although Fairtrade strives to ensure accuracy in translations, the English version of the standard is the basis for all certification decisions, particularly if conflicts on these decisions should arise.

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