



Fair Trade USA ISEAL Standard-Setting Code System Report

Fair Trade USA

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Standard Scope

The Fair Trade USA Agricultural Production Standard (APS) applies globally to all agricultural production systems – covering diverse groups and structures of farms and associated processing facilities under one standard. For each certified group or individually certified farm, a Certificate Holder holds the APS Certificate and is ultimately responsible for ensuring compliance with the APS on behalf of the entities within scope. Farms and facilities are audited against a set of criteria that is applicable to their Farm Size – Small, Mid-sized, or Large Farms and Facilities.

All crops and wild harvested agricultural products may be audited under the APS, with the exception of products that are endangered or threatened and those that are illegal to produce or collect from the wild.

Products from certified producers may not be sold as Fair Trade Certified unless they are sold on Fair Trade terms, as specified in the associated Trade Standard that applies to exporters, importers, brand partners, and other entities along the supply chain.

Sustainability Outcomes

Fair Trade USA seeks to empower and drive sustainable livelihoods for small producers and workers around the world, as outlined in the [Fair Trade USA Producer Impact Management System](#). The implementation of the APS supports sustainable livelihoods for farmers and workers by reinforcing lasting, positive change related to the four impact goals: Income Sustainability, Community and Individual Well-Being, Empowerment, and Environmental Stewardship. The APS drives these four impact goals through six thematic modules:

- 1) Empowerment
- 2) Fundamental Rights at Work
- 3) Wages, Working Conditions, and Access to Services
- 4) Biodiversity, Ecosystem Function, and Sustainable Production
- 5) Traceability and Transparency
- 6) Internal Management System



Justification

The context in which we work in is one where 1.3 billion farmers and farm workers globally rarely receive a fair deal for their harvest. Many of the individuals at the base of production systems (farmers and workers) face significant challenges related to income inequality, poor working conditions, and access to services. For example, more than one in two people suffering from hunger worldwide is a farmer.

Fair Trade USA's agriculture program addresses this global phenomenon by ensuring farmers and workers at Fair Trade Certified farms and facilities receive a better income, have access to critical services such as health care, and are empowered to improve their livelihoods, while also promoting social and environmental responsibility within production systems. At the highest level, Fair Trade USA's global APS aims to provide more impact to more producing communities around the world.

Performance Level

The APS consists of six modules covering themes of empowerment, fundamental rights at work, wages and working conditions, biodiversity and sustainable production, traceability and transparency and internal management systems. Each module is divided into sub-modules, within which are multiple principle-based objectives, each of which has one or more associated requirements specified in compliance criteria.

The APS modules contain two types of compliance criteria: Critical and Progress. Critical criteria must be met by a specified timeframe, the vast majority of which is prior to initial certification, which is denoted in the standard as Year 0. Some Critical criteria must be met in a specified order in addition to a specified timeframe, before or after other related criteria have been implemented. All Critical criteria must be met by Year 6 at the latest.

Some modules also contain Progress criteria, which describe continuous improvement requirements and are associated with a point value. Certificate Holders must show an increasing level of progress over time. The Certificate Holder may select which Progress criteria to comply with to reach the required minimum percentage of Progress points. The Certificate Holder must earn: 40% of total Progress points in Year 0, 70% by Year 3, and 100% by Year 6. Additionally, Best Practice criteria are included for Small Farms and Facilities, which describe optional practices that are encouraged as goals for continued improvement. Progress Points and Best Practice criteria encourage farms to choose their path to Fair Trade, according to their ability, whilst reaching the same end goal.

Adaptations

Fair Trade USA standards are globally applicable and the requirements of the APS are written to allow for implementation to meet compliance that is sensitive to the local context. As needed, Fair Trade USA develops guidance materials and hosts workshops to support local and crop specific interpretation of the APS. This can include identifying and training on areas where local laws and the APS requirements overlap, in which case the one that offers the strongest protections for farmers, workers and communities, prevails.



Fair Trade USA currently accepts producers who are certified by FLO-CERT against Fairtrade International's standards. Fair Trade USA is open to other partnerships and mutual recognition with other schemes to reduce audit burden on producers.

The Evolution of the Fair Trade Agriculture Standards

The Agricultural Production Standard (APS) was written by the Fair Trade USA Standards Department, based on an extensive 3 year stakeholder feedback process and learnings from the previous agriculture standards that it replaced. The APS is an adaptation of the Farm Workers Standard and the Independent Smallholders Standard, both of which were developed in 2011 by Fair Trade USA in collaboration with stakeholders and evolved from standards that Fair Trade USA (at the time TransfairUSA) had co-developed with Fairtrade International. The combination of these standards into the APS allowed for the standard to be applied to a broader set of producers and producer organizations, allowing more farmers and workers to benefit from fair trade.

Stakeholder Categorization and Geography

Fair Trade USA seeks a broad level of global stakeholder engagement in standards revision and development. Key stakeholder groups include producers and workers, supply chain businesses (e.g. traders and buyers), non-governmental organizations, and other producer or labor advocate organizations from the countries and regions in which Fair Trade USA operates. Additionally, Fair Trade USA seeks to garner insight from certification bodies and auditors, academics and other experts and consumers. Major revisions of a standard include a public comment period during which any interested individual may participate in the revision efforts. Special focus is placed on stakeholders directly affected by the Fair Trade USA standards (e.g. producers and workers), and efforts are taken to ensure those who often have limited access to conventional online consultation processes have appropriate mechanisms to participate.

Summary of the Revision Process

The Standards Development and Revision Procedure outlines Fair Trade USA's commitment to following best practices in developing and revision our standards. Fair Trade USA's Standards Department initiates and manages all standards revision processes. Each year, the Standards Department publishes a [Work Program](#) outlining the past and upcoming standard revisions. At the outset of a revision, a project plan (for example, the [APS project plan](#)) is publicized, describing the steps and timeline of the revision process.

Stakeholder involvement is a priority during a standard revision and at the outset of any major standards revision the Standards Department updates mapping of core stakeholder groups, including those who are directly and indirectly affected by the standard and identifies methods to proactively seek their contributions. Stakeholders can provide input throughout the entire standards revision process, from the public project plan to reacting to one or more drafts of the revised standard. Multiple means of outreach are used to ensure stakeholders are aware of opportunities to participate and multiple methods for input are provided. Mechanisms employed during the consultation process include email updates, workshops in various regions and languages, web-based comment forms, audit field testing and direct interviews with stakeholders. During a consultation, the feedback received is analyzed to ensure that comments represent



a diverse pool of stakeholders. If insufficient representation is found for a particular stakeholder group, additional approaches are employed.

Governance

The Fair Trade USA Board of Directors is responsible for approving the final content of all new standards and all major standards revisions. The Fair Trade USA Board is made up of a minimum of 5 Board Directors. Board Directors are identified via an open call for nominations through existing board members, staff, and stakeholders in order to ensure the process is open to all affiliated entities and interested parties. Fair Trade USA has identified stakeholder groups and expertise areas that should be represented on the Board of Directors to guarantee diversity and that no single interest group controls the Board. These groups include producers, labor and trade union experts, NGOs, funders, and technical experts. Board members are listed on the Fair Trade USA website under the [Board of Directors](#) section. For any major standards revision or new standard development, an Advisory Committee of experts may also be created to support the Standards Department's efforts. Fair Trade USA Advisory Council members, as listed on our website, may also provide input to Board decisions related to standards.

Decision-making Process

A standards approval requires a Board quorum and consensus whenever possible. In the absence of consensus, a vote is held after discussion of the standard and sharing of concerns among the Board and Advisory Council members. A majority (50% + 1) vote is needed to approve a standard.

The Vice President of Standards and Impact supports the decision-making process of the Board through the provision of information about the content of the standard that is under consideration, stakeholder feedback received about the content, and context about how the content is linked to Fair Trade USA's impact goals.

Additional information about standards governance and decision-making is in Fair Trade USA's [Standards Development and Revision Procedure](#).

Review and Revision Process

Stakeholders are encouraged to send their standards related comments, requests for clarification and revisions proposals in two locations: on the [main standards page](#) and in the introduction of the standard. Both locations provide the email address standards@fairtradeusa.org to submit feedback. Similarly, the date for next standard review is located on the standards main page and in the introduction of the APS standard document. The [Standards Work Program](#) also provides an overview of all upcoming standard revision work for stakeholders.

The [policy on procedural complaints](#) is available on the Fair Trade USA Standards page. The policy outlines the process for the public to submit a complaint, as well as the manner in which Fair Trade USA will handle and address the complaint.

