

Certification

Standard Operating Procedure

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Certifier for



FAIRTRADE
INTERNATIONAL



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1 Purpose of this Document

This Standard Operating Procedure describes FLOCERT's certification system which is based on the ISO 17065 guidelines, and its underlying rules and principles such as the scope of certification, the certification cycle, the concept of compliance criteria and the rationale behind certification sanctions. Furthermore, it provides an overview of the audit and certification process.

2 Area of Application

This Standard Operating Procedure applies to all involved parties in FLOCERT certification including FLOCERT staff, auditors, existing Fairtrade-certified customers and entities seeking Fairtrade certification

3 Responsibilities

It is the responsibility of the entity seeking Fairtrade certification to be compliant and demonstrate compliance to all the requirements of the Fairtrade standards applicable to them. It is FLOCERT's responsibility to assess if the evidence provided is sufficient to confirm compliance. Insufficient evidence of compliance or non-compliance to requirements would render an entity ineligible to receive or retain the Fairtrade Certification. The final decision on eligibility, rests with FLOCERT.

It is also the responsibility of the entity seeking Fairtrade certification to act in accordance with the Certification Contract. A material breach of the Certification Contract (e. g. non-payment of certification fees) can lead to Decertification; an effective Decertification also leads to a termination of the Contract for cause, with immediate effect.

4 Scope of Fairtrade certification

The scope of certification defines which companies need to be certified or included in the certification of another company according to the Fairtrade Standards for Producers and Traders (<https://www.fairtrade.net/standard>).

4.1 Scope of certification for producers and traders

The following companies must be certified with FLOCERT:

- Organizations that grow or mine a Fairtrade product.
- Companies that buy directly from producers and/or are responsible for paying or conveying the Fairtrade Price or Premium.
- Companies that buy and sell a Fairtrade product up to and including the point where the product is in its final packaging and carrying a Fairtrade Mark.
- Any company buying a product as referred to above for the purpose of repacking.

4.1.1. Scope of certification for certain product categories

For certain product categories, the scope is slightly different:

Product	Companies in scope of certification
Perishable products (fresh fruit, banana, flowers)	<p>a) If sold in global North: Companies up to and including importer. In case packing or repacking takes place at a stage after the importer these companies must be Fairtrade certified as well. (Exclusion: Florists and Retailers). Ripeners who do not repack are out of scope; in these cases, quality claims are covered under the scope of the certification only if forwarded by an entity certified by FLOCERT.</p> <p>b) If sold in producing countries, actors up to and including company responsible for paying price and premium.</p>
Cotton	<p>a) Fairtrade Cotton: All companies up to the point where the product is cut/made/trimmed and labelled require certification. Printing on already labelled Fairtrade cotton products does not require certification.¹</p> <p>b) Fairtrade Sourcing Ingredient Cotton (FSI Cotton): Companies participating in FSI Cotton require certification up to and including the level of the spinner. Subsequent supply chain entities need to be "Fairtrade Verified".</p>
Products in final packaging and carrying a Fairtrade Mark imported from the producer countries	<p>Traders buying products in final packaging and carrying a Fairtrade Mark directly from the producer organisation imported from the Producer countries (and/ or buyers in the country of origin) require certification if they are responsible for Fairtrade Price & Premium payments, quality claims, contracts with producers, pre-financing and packing/re-packing up to consumer ready packs. Producer organisation that are also licensees do not require certification against the Trader Standard if they are only selling their own finished and labelled product.</p>

The following entities need to be included within the certification of the certified company; they will reflect on the Fairtrade certificate, are invoiced for and audited regularly: Affiliates, TCC associates and Additional Entities.

4.2 Scope of certification for entities owned or subcontracted by certified customers

Producers or traders in scope of certification may own or subcontract entities like storage or processing sites that do not take legal ownership but handle the Fairtrade product. Some of these, the so called "additional entities" must be included within the certification and will appear on the certificate, be invoiced for and audited. Other entities are out of scope of certification.

An **additional entity** is a company or legal entity that does not take legal ownership of the Fairtrade product but provides services in scope of certification (see table below). Certain services are out of scope of certification (see table below); entities providing such services are not considered additional entities.

¹ This rule does not apply to embroidery/flocking which is placed on a consumer ready product. In this case the company needs to be certified.

To enable FLOCERT to audit the additional entities that are not owned by the certified customer but in scope of certification, certified customers are required to have a contract in place with all subcontractors that are included in the scope of certification.²

The following table provides an overview of which entities are included in the scope of certification, depending on the setup of the customer and the activity/service performed by the entity. For traders, there is a differentiation between

- traders with mass balance products (Cocoa, Tea, Sugar, Fruit Juice) and
- traders with products for which physical traceability is required by the Fairtrade Standards (all except the products listed in the point above) or that trade mass balance products with Voluntary Physical Traceability (VPT).

4.2.1 Services of Additional Entities in scope of certification

Customer setup	Activity / Service performed by the own/subcontracted entity	Scope of audit ³	Examples
Producer	Subcontractors for Storage & Processing; Own additional entities for Storage & Processing as defined in chapter 1.1.1	<u>Subcontractor:</u> Traceability & some environmental criteria <u>Own processing/storage entities:</u> All requirements of the applicable Standard related to traceability, environmental protection and working conditions.	- Drying installations - Warehouses - Packing stations - Processing installations
Trader physically traceable product & Trader mass balance with VPT	Loose storage in tanks or silos; Re-packing, Processing	Traceability (physical & documentary), Production chapter (mostly reactive)	- Loose storage in tanks or silos - Coffee, Spices, Rice, Nuts in bulk (not bags), - Fresh fruit being processed, - Re-packing from big bag or similar to final labelled product, - Coffee blending (from bag to big bag/bulk)
Trader Mass balance without VPT	Processing of composite product	Documentary traceability, Production chapter (mostly reactive)	- Processing of chocolate - Muesli

² Compliance Criterion: Customers have a contract with each additional entity in scope of certification that is not 100 % owned by the master operator that requires compliance with the respective Fairtrade Standard, stating that FLOCERT is authorized to conduct on-site audits of the additional entity (does not apply to entities that do not fall into the scope of certification or have their own FLOCERT certification).”

³ For details which criteria are applicable see relevant Compliance Criteria list

			<ul style="list-style-type: none"> - Aromatized Tea - Sweets - All blended Juices like multivitamin blends etc.
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Certain entities that handle, but do not take legal ownership of Fairtrade product are out of scope of certification. These entities do not show on the certificate, are not invoiced for or audited and therefore not considered additional entities.

4.2.2. Services of entities out of scope of certification

Customer setup	Activity / Service performed by the own/subcontracted entity	Examples
All setups	Logistics subcontractors	<ul style="list-style-type: none"> - Transport on ship / truck / plane & loading / unloading of containers* - Brokers, agents for export, clearing houses
Trader physically traceable product & Trader mass balance with VPT	Pure storage (no re-packing & processing, no loose/bulk storage in tanks or silos)	<ul style="list-style-type: none"> - Sport balls - Storage of bottled wine - Coffee, Spices, Rice, Nuts in FT labelled bag or boxes - Perishable products like Flowers / Fruits / Vegetables in FT labelled boxes or crates (e.g. banana ripeners) - Big bags / Pallets that are not re-packed or changed
Trader Mass balance without VPT	Storage / processing of a single product (not composite product)	<ul style="list-style-type: none"> - Storage of all mass balance products (Tea, Sugar, Cocoa, Fruit Juice) - Processing of cocoa beans to liquor/butter/powder, processing of all mass balance products for which the FT Standards provide fixed conversion ratios - Processing Juice, Sugar, Tea without additions (no composite product)

4.2.3. Scope of certification for own Additional Entities of Producer Organisations

Additional entities (storage and processing facilities) in the ownership of a Hired Labour plantation or Small-scale Producer Organization are in scope of certification if one or more of the following indicators are relevant (other own facilities are out of scope):

- Workers are hired by the plantation/SPO at the processing installation (requirements for working conditions apply);
- Additional environmental requirements are applicable to the processing installation (e.g. waste or waste water management).

The following tables provides an overview of those additional entities which are in scope in case one or more of the above listed indicators apply.

Own Additional entities in Hired Labour Organisations

Product Category:	Onsite Processing Installation
Bananas	Cleaning, grading, packing and storage
Flowers and plants	packing, cold storage
Fresh fruits and vegetables	packing, cold storage, hot water treatment
Fruit Juice	Pulping, pasteurisation, filling & bottling and storage
Sport Balls	Stitching, packing and storage
Tea	Withering, cutting /rolling, fermenting, drying/firing, sifting, grading, packing and storage
Wine	Cleaning, crushing, fermentation, filling or bottling and storage

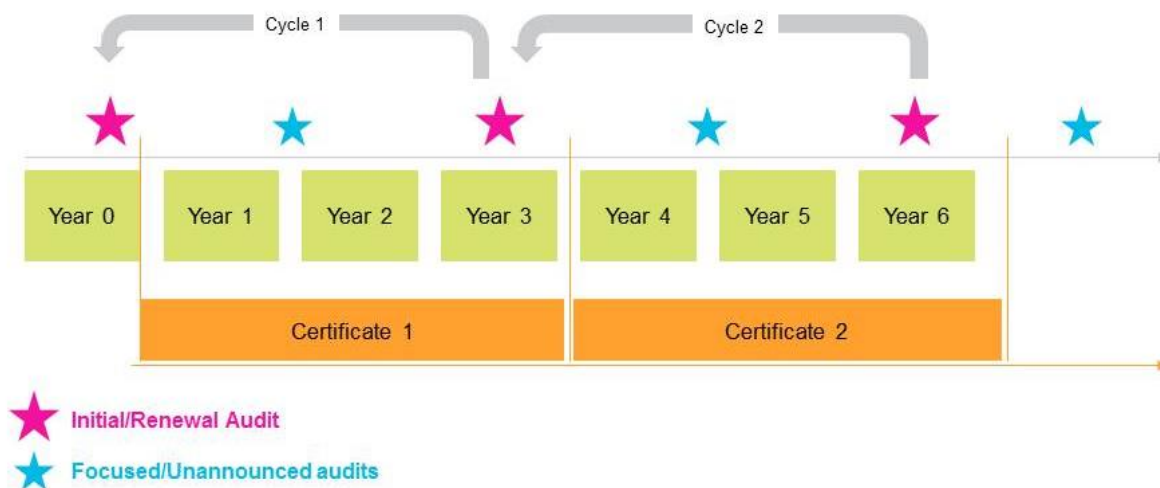
Own Additional Entities in Small Producer Organisations

Product Category:	Onsite Processing Installation
Bananas	Cleaning, grading, packing and storage
Cocoa	Cleaning, hulling, drying, roasting, crushing, winnowing, grinding, grading and packing and storage
Coffee	Roasting, grading, wet processing, hulling, packing and storage
Cotton	Packing, storage and ginning
Cane Sugar	Crushing and juice extraction, filtering or purification, boiling, crystallising, packing and storage
Dried Fruit	Cleaning, Drying, Re-humidification, grading and packing
Fruit Juice	Pulping, pasteurisation, filling & bottling and storage
Fresh Fruit/Vegetables	Cleaning, grading, packing and cold storage
Herbs and Spices	Cleaning, drying, grading, grinding, packing and storage
Honey	Not relevant
Nuts and Oil Seeds	Cracking, cleaning, roasting or drying, Re-humidification, grading, packing and storage
Quinoa	Milling/washing, polishing, packing and storage
Rice	Milling, grading, packing and storage
Soybeans	Hulling, solvent extraction of oil, drying soy flakes, cleaning, packing
Pulses	Destoning, dehydration, sizing, dehusking, grading, cleaning, packing
Tea	Withering, cutting /rolling, fermenting, drying/firing, sifting, grading, packing and storage
Wine	Cleaning, crushing, fermentation, filling or bottling and storage

5 Certification cycle

The certificate of a customer may be issued and renewed in regular intervals referred to as a certification cycle.

5.1 Three-year certification cycle for Producers and Traders



After successful completion of the Initial Audit, a certificate that covers the first certification cycle is issued. Trading possibilities prior to receiving the Certificate are described in chapter [Permission to Trade](#).

The first certification cycle starts with the Initial Audit. All following cycles start with a Renewal Audit.

A certification cycle may also have up to two confirmation audits. Whether or not confirmation audits are scheduled depends on FLOCERT's assessment of the individual customer's situation considering relevant criteria, e.g. compliance with the Fairtrade Standards, Fairtrade Premium amount received/paid and overall setup. Further audits may be conducted at any time, not only if there are indications that the customer's activities reveal critical deviations from the Standard, but also if FLOCERT deems such audits are necessary.

During year 3 of the certification, a first renewal audit can be carried out. Full compliance with applicable standards and contractual obligations, including fulfilment of Corrective Measures (CM), must be achieved, and demonstrated before a certificate can be renewed for the next certification cycle.

5.2 Six-year certification cycle for Small Licensees



Customers classified as Small Licensees have a certification cycle of 6 years. Renewal audits will take place every six years; confirmation audits are usually not conducted.

If the eligibility criteria of a Small Licensee are no longer met, FLOCERT must be informed proactively. In this case the status will be changed to the relevant customer category (which implies adjusted certification fees according to the applicable customer category). For further details please consult the [TC SmallLicenseeDefinition ED](#).

5.3 Certification cycle for Additional Entities

All additional entities may be included in the initial audit of the certified customer and thereafter may be audited at least once per certification cycle.

6 Certificate

A certificate will only be issued if FLOCERT finds the customer compliant with all the criteria applicable to them. Each compliant customer is provided with a certificate with specific validity. This validity is 4 years for Producer and Traders, and 7 years for a Small Licensee. For producers, the certificate also indicates the product category and type that is allowed to **be sold** as Fairtrade. For traders, the certificate also indicates the product category and type the trader is allowed to **buy** as Fairtrade.

Customers certified as both a producer and a trader, will only receive one certificate including both scopes. The certification cycle is based on the producer certification.

7 Permission to Trade

A permission to trade is an intermediate, temporary allowance to start trading under Fairtrade conditions, issued upon the sole discretion of FLOCERT. It does by no means represent a valid Fairtrade certificate and is linked to certain conditions. There is a difference in issuing the Permission to Trade for traders and for producers.

Compliance with requirements of the relevant Fairtrade Standards must be achieved within the regular timeframe (see [Evaluation and certification](#)) and before the expiry date of the Permission to Trade, for the customer to be eligible for a valid certificate.

7.1 Traders

Traders may be eligible to receive a preliminary Permission to Trade valid for 9 months upon receipt of payment of the initial certification fee. This status is granted to facilitate initial Fairtrade sales, which will form the basis for the initial audit.

In case customers are found to have started transacting Fairtrade business before receiving the Permission to Trade, or if there are indications of potential unfair trading practices, a Permission to Trade may only be issued after the initial audit (see [Financial Sanctions](#)).

7.2 Producer organisations

Producer organisation may be eligible for their Permission to Trade only after an initial audit, provided there are no major non-conformities identified or once all major non-conformities have been corrected. The Permission to Trade is valid for 9 months.

8 Fairtrade Audit

The following chapter provides an overview of the audit, evaluation and certification process of FLOCERT.

8.1 Scheduling and preparation of the audit

Prior to each audit, the responsible certification analyst provides the assigned auditor with the Terms of Reference (ToR) which define the scope of the audit. The assigned auditor contacts the customer to determine a convenient audit date. If a date cannot be mutually agreed, it would be fixed by FLOCERT. At this point, the customer also receives information about any prospective observer accompanying the auditor, if applicable.

Once an audit date has been set, the auditor sends the audit preparation letter containing detailed information on the scope of the audit. The customer may be guided by the online checklist of compliance criteria relevant to the upcoming audit, which is located in their Ecert portal.

For Unannounced Audits, the auditor does not send the audit preparation letter prior to the audit, and the date of the audit is decided by FLOCERT. The responsible certification analyst provides the assigned auditor with a letter which will be handed to the customer by the auditor upon arrival on site. On certain occasions - depending on the scope of the unannounced audit – the customer receives audit notification via email on short notice to make sure that the contact person is available on the audit date. In this case the customer shall immediately confirm their availability for the audit date to the auditor.

8.2 Execution of the audit

The customer is required to accept announced and unannounced audits at their premises, as well as at their subcontractor's premises. They are also required to make all efforts, including providing information, needed to demonstrate their compliance with the Fairtrade standards. During the audit, the auditor evaluates the customer's performance with regards to the applicable Fairtrade Standard using FLOCERT's compliance criteria.

Filming or recording of audits is not allowed without prior approval by FLOCERT and the auditor(s).

8.3 Closing meeting

The auditor completes a closing report with the detected non-conformities and presents this report during the closing meeting which is held at the end of the audit. During the closing meeting the auditor explains the detected non-conformities to the customer. In the case of producer organizations, the auditor will also inform them of their score attained against the Development Criteria (only applicable to renewal audits) and in the case of traders, of the results of the Voluntary Best Practice criteria (only applicable in initial and renewal audits).

The customer can choose to propose Corrective Measures⁴ aimed at correcting the detected non-conformities during the closing meeting, or postpone until FLOCERT’s analyst requests them, subsequent to the audit. The auditor will not advise the customer on how to fulfil the non-conformities identified but may explain the requirements and offer practical generic examples of compliance. For more guidance on how Corrective Measures can be proposed in an efficient manner, please refer to the [CERT Effective CM ED](#). FLOCERT can refuse to accept the suggested Corrective Measures if it finds them to be unsuitable for the resolution of the detected non-conformities.

9 Evaluation and certification

After receipt of the audit results, the responsible certification analyst evaluates the audit report and findings and guides the customer through the process of closing non-conformities. The analyst has the right to change, confirm or delete non-conformities identified by the auditor. Non-conformities might also be added after the audit if the supporting documents submitted provide evidence of further non-compliance.

The table below provides an overview of the evaluation workflow and the corresponding timelines.

Timelines for the evaluation workflow until certification	
	Audit is finished
14 days	Auditor sends audit report to FLOCERT
2 months	Certification analyst evaluates non-conformities and requests corrective measures ⁴ .
1 month	Customer sends Corrective Measure proposals to certification analyst if they have not been suggested during the closing meeting. ⁵
14 days	Certification analyst evaluates corrective measures proposed and, depending on the nature of the non-conformities, requests Objective Evidence ⁵ or an onsite follow up audit as a means of confirming compliance.
45 days (Traders) 4 months (Producers)	Customer sends Objective Evidence to certification analyst.
1 month	Certification analyst evaluates Objective Evidence and sends evaluation recommendation to certifier ⁶ .
14 days	Certifier sends confirmation to certification analyst; certification analyst sends decision to customer.

⁴ Corrective Measures (CM) are measures suggested by the customer to correct a situation that is not compliant to the Fairtrade requirements and has generated a non-conformity.

⁵ In case of producer renewal audits with an average score for development criteria below 3, the customer selects target scores for individual development criteria that would bring their target average score to 3 or above.

⁵ Objective Evidence (OE) is the evidence provided by the customer that proves that the corrective measure has been implemented and the situation that generated the non-conformity has thereby been corrected accordingly.

⁶ Certification manager or senior certification analyst

The customer is welcome and encouraged to submit evidence before the deadline. However, FLOCERT may only start the evaluation on expiry of the deadline. If the submitted evidence is incomplete, this might lead to delays in the process or sanctions.

Customers who are not able to propose the corrective measures or to send the requested objective evidence within the defined deadline should contact the respective certification analyst to discuss a solution.

Once FLOCERT is sufficiently satisfied with the compliance demonstrated by the customer (including correction of any non-compliances identified), it will provide or confirm the validity of the Fairtrade Certificate. The certificate is issued only after a successfully evaluated Initial or a Renewal audit.

10 Certification Sanctions

FLOCERT can decide to apply **any of the following** certification sanctions after careful consideration of the sufficiency of the customer's overall compliance. FLOCERT will consider the following aspects when deciding which sanction should be applied:

- Severity of non-conformities found during the latest audit, considering the type of criteria, scale and type of the non-conformity as well as real or potential consequences. Irreversible, non-compliant actions directly impacting human health or wellbeing or impacting the integrity of the Fairtrade product and intentional non-compliances are considered severe.
- Number of non-conformities found during the latest audit.
- Repetition of non-conformities
- Inadequate evidence of compliance
- Failure to comply with certification rules, procedures and contractual obligations.
- Risk to the credibility of the Fairtrade system

If a certification sanction is issued, it will be explained to the customer in an official communication.

10.1 Cancellation of Permission to Trade / Denial of Certification

If this sanction is applied, the customer must cease trading in Fairtrade products with immediate effect. The customer may not sign any new Fairtrade contracts, as these will not be recognized as Fairtrade transactions, nor will existing contracts be recognized under Fairtrade terms.

A decision to deny certification may be taken at the end of the evaluation workflow (after the customer has been given the opportunity to correct any non-conformities) if the customer fails to sufficiently correct identified non-conformities.

10.2 Suspension of Permission to Trade or Suspension of Certificate

If this sanction is applied, the customer is not allowed to sign Fairtrade contracts with new trade partners, nor to advertise or make any reference to maintaining a valid Fairtrade certification.

During the suspension period, all Fairtrade contracts signed prior to the suspension remain valid and must be fulfilled. The customer may also sign new contracts with Fairtrade certified trade partners with whom they have had at least one Fairtrade transaction in the previous 12 months. However this volume cannot exceed 50% of the volumes traded as Fairtrade in the preceding 12 months with that certified trading partner.

The maximum duration of a suspension is determined by the evaluation workflow timelines (see [Evaluation and certification](#)). If the customer does not take the necessary steps to demonstrate compliance within the given timelines, this will lead to decertification.

A suspension decision may be taken due to the severity of the non-conformities identified during an audit, or during the evaluation workflow due to insufficient corrective measures, unsuitable objective evidence or when necessary information are not sent to FLOCERT within the deadlines.

10.3 Decertification

If this sanction is applied, the customer must stop trading under Fairtrade terms with immediate effect. The customer is not allowed to sign any new Fairtrade contracts nor to fulfil existing contracts under Fairtrade terms, as these will not be recognized as Fairtrade contracts in the evaluation of their Fairtrade certified trading partners.

A decertification decision may be taken at the end of the evaluation workflow due to non-compliance, or due to insufficient submission or non-submission of corrective measures / objective evidence.

This decision may also apply any time as a result of breach of contract (e.g. failure to pay certification fees).

10.3.1 Immediate decertification

In exceptional cases a decision to decertify may be taken directly after the evaluation of the audit report and before any corrective measure workflow has started. Such exceptional cases are:

- If severe non-conformities have been identified that require transactions to stop immediately.
- If there is insufficient evidence of compliance for Major requirements, which could seriously threaten Fairtrade's integrity
- If there are grounds for a second suspension for the same reason, i.e. if non-conformities that led to suspension after the previous audit are identified again and would trigger another suspension for the same reason.

10.3.2 Decertification / Denial of certification with moratorium for re-entry

This sanction may be applied in exceptional situations where systematic failure to comply with the Fairtrade Standards has been identified. These situations are:

- If the customer had previously been decertified due to non-compliance and receives a 2nd instance of decertification due to non-compliance
- If the customer cannot demonstrate sufficient compliance during re-application subsequent to a previous decertification due to non-compliance.
- If an immediate decertification is issued due to severe non-compliance.

If this sanction is applied, re-entry is only possible once the moratorium period has passed and if all changes have been implemented that allow the customer to comply with the Fairtrade Standards.

11 Financial sanctions

FLOCERT may apply financial sanctions under the following conditions:

- If an applicant commenced Fairtrade business before having received their Permission to Trade or Fairtrade certificate, a charge equivalent to twice their annual certification fee will be issued, calculated on a pro-rata basis from the date of their earliest Fairtrade transaction to the date when the non-compliance was identified (i.e. date of the initial audit in case of producers) or to the date when Fairtrade transactions were permitted (i.e. issuance date of the Permission to Trade in case of traders).

- If a certified customer has non-compliances which cannot be resolved retrospectively within the certification cycle (e.g. Non-Member Business, Overselling under suspension, Transacting with an entity who remains uncertified etc.) a charge equivalent to twice their annual certification fee will be issued, calculated on a pro-rata basis from the date of the earliest transaction that led to the non-compliance⁷ to the date it is detected, i.e. audit date, or the date when the customer was requested to stop the transaction (Fairtrace Alert).

A financial sanction will not exceed 5000 EUR.

12 Right to appeal

Should the customer disagree with an evaluation or certification decision taken by FLOCERT, they may appeal or request a review of the evaluation decision (see [CA Appeal/Review SOP](#)).

13 Re-entry after decertification

After a decertification, the customer may re-apply to become Fairtrade certified under the following conditions:

- The customer agrees to undergo an audit before re-entering the Fairtrade certification system if deemed necessary by FLOCERT. In case of severe previous non-conformities, an audit will always be required.
- The customer has corrected all unresolved prior non-conformities.

If the re-application is completed within 12 months of the date of decertification (completed means: the new certification contract is signed and, if applicable, any outstanding certification fees from the period prior to decertification have been paid), no application fee is invoiced. However, the customer will be required to pay the initial certification fee.

Should the re-application not be completed within 12 months or the customer requests to re-enter the Fairtrade certification system after 12 months of the decertification date, the customer will be required to complete the application process (see [CERT Application SOP](#)).

14 Extension of scope of certification

A certified customer can extend the scope of certification at any point in the certification cycle. However, before transacting Fairtrade business under the extended scope the customer must apply to FLOCERT and seek approval in the following cases:

Producers:

- add a new product category, type and/or form to their Fairtrade activity.
- add a new member organisation / estate to their Fairtrade activity. This only applies to 2nd or 3rd grade small producer organisations or multi estate companies who have limited their Fairtrade certification to a selected number of member organisations / affiliated estates.
- add a new function to their Fairtrade activity. Certified producers can apply to have the trader function added to their certificate in order to start exporting for another producer organisation. Permission to trade for the trader service will be issued, valid until an initial audit has been closed successfully.
- add a subcontractor or additional entity to their Fairtrade activity.

Traders:

- add a new product category, type and/or form to their Fairtrade activity.

⁷ In exceptional cases where no transaction date can be determined, the maximum financial sanction can be applied.

- add a subcontractor or additional entity to their Fairtrade activity.
- add a new function to their Fairtrade activity.
- change to the certification model Trader Corporate Certification. More information can be found in the [TC Trader Corporate Certification ED](#).

Fairtrade business under the new scope may be conducted only upon confirmation from FLOCERT and if applicable, an amended Fairtrade certificate.

15 Compliance Criteria

Compliance Criteria (CC) are established by FLOCERT to translate Fairtrade Standard requirements and FLOCERT requirements into verifiable control points. These are assessed during the certification process to determine compliance with the Fairtrade Standards. Compliance Criteria lists are published here <http://www.flocert.net/fairtrade-services/fairtrade-certification/compliance-criteria/>

Non-conformity with a Compliance Criterion is understood to be a non-conformity with the corresponding Standard requirement.

The table below shows the different types of compliance criteria, and to which set-up they apply:

Type of Compliance Criteria	Core Compliance (checked in all audits)	Major Compliance (checked in all audits)	Development Compliance (only checked in renewal audits (year 3, 6, etc.))	Voluntary Best Practices (only checked in initial and renewal audits)
Small Producer Organisations	x	x	x	
Hired Labour Organisations	x	x	x	
Contract Production	x	x	x	
Traders	x	x		x

Major Compliance Criteria

FLOCERT classifies a limited number of Compliance Criteria as major that reflect key Fairtrade principles (e.g. ban on child labour). Non-conformity with a major compliance criterion is considered a threat to the objectives and the reputation of the Fairtrade system and may lead to stricter certification sanctions.

Core Compliance Criteria

Core Compliance Criteria are the baseline requirements which need to be complied with as they become applicable according to the certification timeline (year 0,1, 3 and 6)

Development Compliance Criteria (DC)

Development Compliance Criteria (only for producers) aim to support producers in their continuous improvement over the years and only need to be complied with after three or six years (at an average score of three or higher). The Fairtrade Standards define which requirements are Development Criteria.

Voluntary Best Practices (VBP)

Voluntary Best Practice Requirements (only for traders) serve as indication of where a trader stands on the path to even fairer trade practices. They are voluntary and not required in order to be in compliance with the Fairtrade Trader Standard (no non-conformities are created based on VBP). The Fairtrade Trader Standard defines which requirements are VBP.

Timeline & Applicability

The number linked to a CC (0, 1, 3 or 6) represents the years of certification when a CC becomes applicable. For example, for initial audits, only criteria with timeline 0 apply.

It is important to note that although some CC may only become valid at a future point in time, customers are encouraged to be in conformity with these CC or start working towards conformity as early as possible as a means of ensuring organisational strengthening and sustainable business development.

Limitations to the applicability of a CC are documented at the beginning of a CC text in brackets. For example, a requirement:

- only applies for customers trading a specific product – indicated as: (banana)
- does not apply to small companies – indicated as (NA for small companies)
- only applies after a transition period - indicated as (1 July 2015).

Performance Ranks

Compliance Criteria generally have 5 levels of compliance (ranks) that are numbered from 1 to 5 where 1 stands for complete lack of conformity and 5 for best practices. Ranks 1 and 2 indicate non-compliance whereas Ranks 3 to 5 denote compliance. It must be noted that some Compliance Criteria may not have all 5 levels of compliance but may just have “No” (signifying non-compliance) and “Yes” (compliance) as possible answers.

16 Official languages and translations in audits

FLOCERT operates in the following five languages: English, Spanish, French, Portuguese and German. This means that most customer service and documentation are provided in at least these five languages, while FLOCERT’s website and other marketing material are maintained in English and Spanish.

Audits are also provided in the five languages specified above, where the particular auditor will speak the language most commonly spoken in the country where the audit takes place (e.g. English in Ghana, Portuguese in Brazil) but not necessarily be fluent in all five official languages. English as the primary language is to be used in case of conflict of interpretation between translated documents.

The requirements for translator/translations are defined in the audit preparation letter that customers will receive prior to every audit. In case a language barrier exists during the audit customers are responsible to ensure that translation is provided as required. In case the requirements for translations are not fulfilled, this is interpreted as not providing access to necessary information and may have consequences for their certification.

17 References

- CERT Application SOP
- CA Appeal Review SOP
- FLOCERT Public Compliance Criteria Lists
- Fairtrade Standards
- TC SmallLicenseeDefinition ED



- CERT TraderCorporateCertification ED
- CERT ObservedAudit ED
- CERT ObservedAuditCustomerApproval FO