

# Terms of Reference Fairtrade International Standards Committee

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May 2026

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These terms define the responsibilities of the Standard Committee to set and decide on Fairtrade standards on behalf of the Fairtrade International Executive Management Team (EMT).

Decisions with strategic importance related to the SC's responsibilities shall be taken by the Fairtrade International EMT. Major decisions of standards shall be taken by the SC and minor decisions of standards shall be taken by the Standards and Pricing Unit (S&P) Director. Also, with these terms the need for a pragmatic and efficient process of decision-making shall be assured. Associated with these terms, the standard-setting procedures (SOPs) respond to Fairtrade's vision to have an efficient standard setting process. These terms are in line with applicable requirements of the ISEAL Code of Good Practice.

## 1. Responsibilities and mandate

The SC is a permanent committee reporting to the Fairtrade International EMT. The EMT delegated and assigned to the SC the following responsibilities:

- Development and decision-taking of Fairtrade standards and prices. Minor decisions shall be delegated to the S&P Director.
- Decision-taking regarding equivalency and full or partial recognition of other standards and schemes to Fairtrade standards and scheme, as available following strategic guidance from the Fairtrade International EMT.
- Development of Fairtrade principles related to Fairtrade standards, including research and analysis of policy options, and advising the Fairtrade International EMT or other relevant decision-making bodies on these.
- Decision-taking of the relevant Standard Operating Procedures (SOPs).
- Decision-taking of procedural complaints in relation to the SOPs.
- Advise the S&P on all decisions relating to the development and maintenance of Fairtrade standards to ensure high-quality, consistency and continuous improvement.

Further tasks may be delegated by the Fairtrade International EMT, or on request of the SC itself or the S&P.

The main role of SC is to decide on standards content, objectives, scope and timelines, to balance stakeholder comments, to resolve particular contentious issues, to clarify terms and definitions, to consider feasibility of implementation, to take into account legal compliance and needs for accreditation or acceptance (eg by benchmarking bodies, certification mark registration authorities) and to review effectiveness and practicality of pertinent areas of standards.

To comply with this responsibility, the Fairtrade International Non Executive Board appoints the members thereby assuring a balance of interests of all stakeholders.

Formally, the SC is responsible to the Fairtrade International EMT. The Fairtrade International Non Executive Board and the General Assembly of Fairtrade members, through the EMT sets strategic priorities for the SC and provides to the SC policy guidelines and meeting minutes as appropriate. The Fairtrade International EMT receives the SC meeting minutes with decisions and recommendations to the Fairtrade International EMT. The EMT is invited to the SC meetings to ensure continuous dialogue and regular



communication on all pertinent matters affecting the work of the SC. Communication in between SC meetings may happen both ways via the S&P Director.

The SC shall closely cooperate with the S&P. The Chair and the S&P Director shall facilitate and assure this cooperation particularly regarding assessment of whether decisions should be taken in the S&P or the SC and whether S&P may improve on enabling SC on decision-taking and vice versa SC may improve on enabling S&P on implementation of decisions.

## 2. Composition

### 2.1 Appointment and terms

The Fairtrade International Non Executive Board appoints SC members following its nomination procedures. The S&P Director monitors upcoming terminations and initiates (re)appointment processes.

#### 2.1.1 Process for Appointments

The SC Chair establishes a Selection Panel (SP) prior to starting an appointment process and informs the Fairtrade International People Committee (PC). One person shall be named as chair of the Selection Panel. The SP should have at least two members.

The Selection Panel shall review the role description and competency requirements to ensure the candidates can be objectively assessed against them. Additionally, the SP shall determine which competencies are evaluated through the written application and which are assessed during the interview.

**Call for candidates:** In the case of members representing producers and workers, the calls for candidates are managed by the relevant Producer Network (PN), following this process description as applicable. The PN recommends its candidate to the PC describing the process (including shortlisting, interviewing and recommending preferred candidate) and rationale of recommendation in a formal letter. In the case of any other SC member, Fairtrade International is in charge of the call for candidates.

The call for candidates should include clear instructions on how to apply, the closing date, and allow sufficient time for applications to be submitted. The SP may, at its discretion, extend the closing date if deemed necessary.

**Shortlisting:** After the closing date, the SP determines how to review applications, ideally by having each member score every application as agreed in the first stage.

Once all applications have been scored, the SP reviews those with the highest scores to agree on a shortlist of candidates for interview. Candidates who are not shortlisted are informed promptly after the shortlisting process.

**Interviews:** The SP agrees on a list of questions that assess the competencies and establishes an objective scoring mechanism.

The SP assesses candidates using the agreed scoring system and disregards those deemed not appointable.



All interviewed candidates are promptly informed if their application is not progressing. Candidates recommended for appointment are forwarded to the PC and subsequently to the Non Executive Board. The Chair of the Selection Panel produces a report for the PC, recording the process undertaken and the recommendation of the Selection Panel.

The PC chair submits its assessment and recommendation to the FI Non Executive Board, which then decides whether to approve the (re)appointment.

**Appointment:** The formal process of inviting the successful candidate to take up their appointment is managed by the Director S&P. The process includes obtaining the necessary documents and information according to the SC Terms of Reference.

With their appointment the member accepts the terms of reference of the SC.

## **2.1.2 Process of reappointment**

### **2.1.2.a Reappointment for a second term**

The Chair of the SC inquires with the member in question whether they intend to continue their tenure for a second term at least six months in advance to the reappointment.

The Chair of the SC inquires if the SC is in favour of extending the term of the member in question for a second term based on the members' performance analysis. In case of a negative response the Chair of the SC initiates the appointment process

In case of a positive response, the Chair of the SC submits a report to the PC, with the process undertaken, the rationale for the extension and the recommendation.

The PC reviews the recommendation and submits to the Fairtrade International Supervisory Board for decision-taking. The Director S&P informs the member of the outcome. The member's second term begins on the day of the positive vote of the Fairtrade International Non Executive Board.

### **2.1.2.b Reappointment for a third term**

The position shall be advertised following the procedure outlined under point 2.1.1.

In the case of a member representing a PN, if the PN decides to support the candidate for a third term, the procedure shall follow the same steps as for the second term (under point 2.1.2a).

## **2.1.3 Composition and term**

The SC consists of at least five and a maximum of eleven members. The number of members is preferably uneven. The membership mandate is for a period of three years. The mandate is renewable once without a mandatory open call for candidates. Thereafter, one renewal is possible following an open call for candidates. Former members of the SC can be re-appointed only after a gap of three years.

Membership terms for external experts (not as regular members) only nominated for specific issues are set by the Fairtrade International EMT based on recommendation issued by the SC.

To ensure confidentiality and to avoid potential recurring conflicts of interest, none of the voting SC members shall be employed by or working for any competing scheme.

## **2.2. Conduct and individual responsibilities**

All members and as applicable all observers, experts and staff shall:

- adhere to these terms,
- duly represent the respective core stakeholder groups but serve in an individual capacity,
- always act in the interest of the whole Fairtrade system and not in the interest of individual members of the respective constituency as,
- support the purpose and goals of Fairtrade International as laid down in its constitution,
- bring in a maximum of expertise in the various fields of work,
- match the profile and qualification criteria set by the SC,
- regularly participate in SC meetings,
- actively contribute to the SC tasks,
- properly prepare meetings and contribute to all follow-up actions as agreed and/or mentioned in the meeting minutes,
- declare all conflicts of interest at nomination and before taking part of decision-making processes,
- be able to communicate easily in the English language (possible exceptions for WRAC and PN representatives).

## **2.3. Evaluation**

Members shall undergo an evaluation process at least once every two years against above mentioned criteria where possible. Evaluation is done by the SC Chair or Vice-Chair together with the S&P Director. If the evaluation shows that a member does not comply with the criteria anymore, the S&P Director may ask the Fairtrade International Non Executive Board via the People Committee to withdraw the member's appointment. The Fairtrade International Non Executive Board can at any time revoke the appointment of a member of the SC if membership criteria or member's responsibilities are not met. Moreover, once a member does not represent a stakeholder group anymore the membership automatically stops.

## **2.4. Composition**

The composition must be balanced between producer-facing and market-facing and as applicable independent expertise. The following composition applies:

### A. Producer-facing

- member(s) representing farmers and workers: in case of more than one representative, they shall be from different continents and representing different groups targeted by Fairtrade standards. The PNs shall ensure that the proposed candidates represent both farmers and workers of their specific territory. Producer representatives should be able to show a good understanding of standards and their implementation.
- member(s) drawn from workers: by preference linked to Trade Unions.
- PN representatives should be able to engage with the PN and the stakeholders of their membership group regularly and have a good overview of topics relevant to farmers and workers on their continent.



#### B. Market-facing

- member(s) drawn from National Fairtrade Organisations (NFOs): candidates shall represent market side including supply chain/trading and consumer interests.
- NFO representatives should be able to engage with their NFO and other NFOs regularly and have a good overview of topics relevant to market partners and civil society organizations supporting Fairtrade.
- member(s) drawn from traders: candidates shall represent a range of core Fairtrade commodities if possible and have a good understanding of standards and their implementation. In case of more than one representative one of them shall represent the Fair Trade Organizations (FTOs).

#### C. Workers Rights expertise

- the Workers Rights Advisory Committee (WRAC) names a candidate to the SC that shall represent the perspective of WRAC members.

#### . Independent expertise as voice without vote

- Fairtrade International EMT is considered to bring in system-wide and strategic consideration.
- independent external experts as appointed by EMT

The People Committee aims to achieve a gender balance on the committee.

### **2.5. Member management**

The S&P holds the SC voting member list up to date and informs the Fairtrade International Non Executive Board and EMT of any necessary actions to be taken.

## **3. Working principles**

The SC shall execute its functions in an efficient manner. Members are asked to act accordingly and to aim for effective decision-taking through their behaviour and adhering to the following working principles.

### **3.1. Language**

The working language is English both for written and oral communication. In specific cases, if a candidate nominated by a PN or by the WRAC is not able to follow the meetings in English, translation is provided.

### **3.2. Confidentiality**

Confidential information is understood as all information and documents gathered during the course of involvement in the SC. SC members acknowledge that Fairtrade International is the rightful owner of all confidential information and undertakes all necessary and suitable measures to maintain the level of confidentiality. For all information three levels of confidentiality exist:

“high”: means that no distribution is allowed other than within the SC. High confidentiality level must be clearly indicated on written information or clearly stated during oral conversations. The outcome of decisions is confidential until minutes are published on the Fairtrade International website.

“normal”: means that the information is considered not to be circulated outside the SC, however in case of further consultation needed to accomplish with the SC tasks the information may be distributed for that purpose to Fairtrade International stakeholders. The outcome of decisions is confidential until minutes are circulated to SC members.

“none”: means that the information can be freely distributed, e.g., if the information is already in the public domain, meaning that it has been published or disclosed previously by Fairtrade International or another organisation. There must be a clear indication with the information for that status of confidentiality. The outcome of decisions can be made public immediately after the SC meeting.

The SC members must accept the rules of Fairtrade International regarding confidentiality. In case of breaches of confidentiality, the Fairtrade International EMT after careful assessment proposes necessary actions to the Fairtrade International Non Executive Board.

### **3.3. Meetings**

The SC meets as often as needed, however 4 to 6 meetings per year are considered as standard practise. Meetings are either physical or remote meetings. Extra meetings may be asked by the Fairtrade International EMT, the SC members and by the S&P.

Meetings shall be properly prepared by S&P by timely sending of all necessary information to SC members. All members shall carefully study the information provided and prepare their contributions to the SC. All members shall also contribute to follow-up actions after meetings as agreed and/or mentioned in the meeting minutes.

In between meetings, e-mail consultation may happen for papers which cannot wait for approval until the next meeting of the SC. The papers should be commented and decided on by e-mail.

### **3.4. Observers**

Fairtrade International staff have permanent observer status. Staff requests to participate in an SC meeting should be communicated to the S&P Director who recommends to the SC Chair who decides individually on participation taking into account the added value, the total number of observers and the confidentiality status of the items under discussion.

Individuals representing a stakeholder group already being represented by SC members or not, and members of the Fairtrade International EMT may be granted a permanent or temporary observer status. The status may be limited to certain issues or agenda items. Applications should be made to the S&P Director and will be decided upon by the SC Chair.

Consultants or other experts working with S&P can be granted a temporary observer status, normally limited to certain agenda items. Applications should be made to the S&P Director by the S&P staff member managing the relevant project and will be decided by S&P Director after consultation with the SC Chair.

Where the SC Chair has not proactively approved requests for observer status, he/she automatically approves them when approving the draft SC agenda, where requests for observer status shall be indicated.

The S&P Director communicates the SC decision to the observer.

Contributing observers are:

- Any person presenting a paper, who may be present for that agenda item
- Any person invited by the Chair or by the S&P Director to attend to contribute to discussion of an item
- All staff of S&P

Contributing observers are invited to speak on the same basis as SC members but may be asked by the Chair to refrain from contributing at certain times in accordance with the needs of the SC and are not eligible to vote on SC decisions.

Passive observers are:

- Contributing observers who ask to attend beyond the agenda item they are concerned with
- Other Fairtrade International stakeholders who have been granted observer status

Passive observers do not contribute to the discussion; on occasion they may request to do so if they feel that a significant point is being missed or misunderstood in such a way as to undermine the validity of the decision-making process. If they wish to contribute, passive observers should declare any interest they may have in the outcome of the discussion to the SC Chair.

All observers are entitled to make notes of the discussions or decisions for their own use unless the SC Chair exceptionally requests confidentiality for a specific point. In the case of a need for confidentiality or for any other reason, the SC Chair may ask observers to leave the meeting or to agree to maintain confidentiality. All observers should ensure that, if they divulge the content of the meeting to another party, they do so by making it clear that this is not a formal record of the meeting, unless it is based on the approved minutes.

### **3.5. Chair**

The SC elects a Chair and a Vice-Chair.

The Chair and the Vice-Chair are elected for two years with the option of renewal.

The Chair approves the meeting agenda proposed by the S&P and supervises that all members are duly informed. In particular, the Chair checks whether all proposed points of the agenda fall into the decision authority of the SC or whether they need to be delegated to the S&P or to the Fairtrade International EMT.

The Chair together with the S&P Director may take decisions on procedural issues (e.g. observers) in preparation of the meetings. The Chair may also take content linked decisions in between meetings if asked so by the S&P e.g. resulting from an email consultation process. Such processes need to be reported to the SC's next meeting with a rationale and in full transparency.



The Vice-Chair replaces the chair in cases of absence, conflict of interest or other grounds found necessary by the SC.

### **3.6. Sub-committees and working groups**

The SC may create sub-committees or working groups to research / handle or take decisions on specific responsibilities or issues on behalf of the SC. The SC shall define specific Terms of Reference for each sub-committee or working group. Sub-committees are set up on a permanent basis while working groups are set up on a temporary basis and disappear once they have reported back to the SC or when the SC feels that the issue shall be administered in a different way. Both are composed of at least 1 SC-member and external experts / stakeholders / S&P staff, with or without voting rights as specified in the sub-committee or working group Terms of Reference.

### **3.7. Remuneration**

All members can request remuneration unless already being paid by the Fairtrade system for the costs and/or worktime spent for the SC. For members coming from NFOs the request for fees needs to be supported by the applicable NFO while the NFO is expected to incur the costs.

Reimbursement is limited to travel costs (airfare and train costs to be based on 2<sup>nd</sup>/economy class tariffs), daily subsistence for full absence days except for meetings days (based on Fairtrade International allowance table in accordance with German law) for travel days, and fees (and VAT as legally to be charged on top of fees).

Fees are paid to members representing producers, workers, or traders, and if agreed to experts. Fees are paid for the physical or teleconferencing meeting time, preparatory time and travel time using a daily fee fixed by Fairtrade International while dial-in time in physical meetings is not paid for unless agreed differently beforehand. In between meetings time is not paid for, except for extra work done by the Chair and the Vice-Chair. Exceptions from using the fixed daily fee are possible and need to be agreed with the S&P Director. The fee agreement needs to be made with the S&P Director in writing.

None of these payments are made automatically, but only when a member explicitly asks for them by presenting adequate invoices and/or receipts. Payments are done after the S&P Director has approved those invoices/receipts.

## **4. Working process**

### **4.1. Agenda and invitation**

SC members may inform the S&P Director about an item to be put on the agenda in writing and are responsible for providing the necessary papers timely. The draft agenda is sought to be available 4 weeks ahead of meeting. The final agenda for meetings is set by the S&P Director and proposed to the Chair at least 14 days before the meeting. The Chair approves the agenda within 3 working days. The S&P seeks to send out the agenda with all associated papers to the members at least 10 working days before the meeting. The agenda is also sent to the Fairtrade International EMT for information, along with associated papers as requested by the Fairtrade International EMT.

## **4.2. Decision taking**

### **4.2.1. Principles**

The SC takes decisions based on papers submitted by S&P and other facts and evidence available as well as considering the discussion happening during meetings. Decisions are taken by careful consideration of all available evidence and all members' perspectives on it. When making decisions, all members are responsible for considering what is in the best interests of the Fairtrade system as a whole. This must be considered before the interests of a single stakeholder group or their own constituency.

### **4.2.2. Decision making at physical and remote meetings**

The SC seeks to achieve decisions by consensus, defined as decisions taken with no votes against. If the SC Chair feels that consensus is not achievable, the Chair will ask the SC members whether further discussion and alternative wording of the standard could lead to consensus. In particular, if the most affected stakeholders are in opposition to the proposal, they actively propose options that are more likely to reach consensus.

If this evaluation does not lead to any solution built on consensus the majority decision-making procedures should be used. In this case, decisions can be taken by simple majority. Abstentions are not counted as votes.

Secret voting by ballot is only done on demand of a member. In other cases, voting shall be by show of hands or in virtual meetings by writing the vote in the chat.

The quorum of  $\frac{2}{3}$  (two third) of its members including the Chair or the Vice-Chair has to be respected. Every member has one vote.

Proxy votes are possible. However, one person may only assume one proxy vote. Proxy votes need to be presented to the Chair in writing.

In case of a tie the vote of the Chair will decide. In case of a tie and of absence of the Chair, the vote of the Vice-Chair will decide. In case of a tie the Chair or (in his/her absence) the Vice-Chair cannot abstain.

When a decision is being made the SC takes into account if a conflict of interest (CoI) for one of its members exist, the member with the CoI will be excluded from voting on this decision without affecting quorum. CoI needs to be announced by the relevant member to the Chair before voting, by preference when the agenda is agreed upon during the opening of the meeting. Declaration of CoI lies in the responsibility of the members. All CoI are minuted for the specific items.

### **4.2.3. Decision making in between meetings**

The in-between consultation may consist of one or two rounds.

First round: A first mailing of papers will be sent out by S&P to SC with a request for comments to be received within five working days. SC members are obliged to react if on job at that time. If a SC member has not reacted within five working days, (s)he is considered to have accepted the recommendation. At least the Chair or the Vice-Chair plus two other members of the SC must have reacted within these five days for further decision making. In case at least two thirds of the members have reacted within the dedicated time and there have been no major concerns raised or comments made and the majority agrees

with the recommendations, it is accepted through the SC Chairs' approval as appropriate and possible. In this case there is no second round. In case of doubts whether the SC member's agreement is sufficient for decision-taking the S&P Director and the SC chair take a decision how to proceed.

Second round: In case of major comments, the S&P is responsible for having the papers adapted according to the comments received and a second mailing of the amended papers will be sent out by S&P to SC for comments to be received within five days. If an SC member has not reacted within five working days, (s)he is considered to have accepted the recommendation. At least the Chair plus two other members of the SC must have reacted within these five working days. The SC Chair takes the final decision.

#### **4.3. Minutes**

The S&P provides for staff to take minutes of the meetings. Recording of the meeting are also filed by S&P.

Draft minutes are distributed to the members and to the Fairtrade International EMT at earliest convenience, however not later than 21 working days after the meeting.

Minutes are revised by the SC members and is formally approved by SC Chair. Draft minutes are sent by S&P to all SC members seeking for comments. Comments are to be provided within five working days. A second round of comments is carried out only if necessary. The SC Chair works with S&P to appropriately endorse comments from SC members. Decision-making follows the principles described in the first two paragraphs of section 4.2.1.

After approval the minutes will be published on the FI website and may be circulated to any interested parties.

Relevant extracts of the yet not approved minutes may be distributed to Fairtrade International, and NFOs and PNs on special request or need as decided by the SC Chair or the S&P Director or the EMT.

#### **4.4. Implementation**

The S&P is responsible for implementation of the SC decisions unless specifically determined otherwise. Particularly, further consultation with assurance providers and with other stakeholders need to be properly identified and determined at decision-taking.

## **5. Miscellaneous**

These ToR are subject to regular update by the Fairtrade International EMT. SC members are asked to continuously check whether the ToR are appropriate and come up with proposals for amendment.

Approved by Fairtrade International Non Executive Board, 20.05.2026