



Standards Committee Minutes Meeting 121: 23-25 March 2026 (Zoom)

SC members: Stijn Decoene (Chair), Emilie Sarrazin (Vice-Chair), Ben Huyghe, Selene Scotton, Gustavo Lopez (Absent on the 24th), Silvia Herrera Hernández.

Observers: Fairtrade International and FLOCERT staff members have permanent observer status.

Other Observers: We do not display the full names of observers and contributing observers to comply with 'The General Data Protection Regulation (GDPR)'. If you need additional information about the observers or contributing observers of this meeting, please contact standards-pricing@fairtrade.net

Disclaimer:

The Fairtrade International Standards Committee (SC) aims to reach consensus, but decisions may not always reflect the opinions of all people.

The section to introduce the topic (background information) has been written by the Standards & Pricing and may not have been discussed by the SC in full. Sections listing action points are an outcome of discussions of the SC but are not part of the decisions made.

Abbreviations

CEO	Chief Executive Officer
CLAC	The Latin American and Caribbean Network of Fairtrade Small Producers and Workers
CoE	Centre of Excellence
COSP	Cost of Sustainable Production
DRC	The Democratic Republic of the Congo
EC	Exceptions Committee
EMT	Executive Management Team
FET	Fairtrade Executive Team
FTO	Fairtrade Organizations
FI	Fairtrade International
FMP	Fairtrade Minimum Price
FOB	Free on Board
FP	Fairtrade Premium
FPC	Fairtrade Premium Committee
FSI	Fairtrade Sourcing Ingredient
FBW	Fairtrade Base Wage
GA	General Assembly
GOTS	Global Organic Textile Standard

¹ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). <https://eur-lex.europa.eu/eli/reg/2016/679/oj>

GPM	Global Product Manager
GPPP	Global Products, Programs & Policy
HL	Hired Labour
HML	Hazardous Materials List
HOC	Head of Oversight and Compliance
HREDD	Human Rights and Environmental Due Diligence
IDH	The Sustainable Trade Initiative
LAC	Latin America and the Caribbean
LB	Licensing Bodies
LI	Living Income
LIRP	Living Income Reference Price
LW	Living Wage
MEL	Monitoring, Evaluation, and Learning
NAPP	Network of Asia & Pacific Producers
NEM	New Economic Mechanism
OC	Oversight Committee
O2B	Offer to Business
PC	People's Committee
PB	Producer Body
PEB	Producer Executive Body
PM	Project Manager
PN	Producer Networks
PT	Project Team
SA	Senior Advisor
S&P	Standards and Pricing Unit
SC	Standards Committee
SM	Salary Matrix
SOP	Standards Operating Procedure
SPO	Small-scale Producer Organizations
ToR	Terms of Reference
WRAC	Workers Rights Advisory Committee

Item 1 – Opening

The Standard committee meeting commenced at 15:00 GMT.

Agenda: Chair officially opened, the agenda read, ground rules and confidentiality rules were re-announced. All approved by the SC members.

Declaration of conflict of interests: There was no conflict of interest.

Action items:

Completed:

- Seed Cotton: It was recommended that PU provide an update in early 2026 regarding the effects of this decision on supply chains and market performance.

- Hired Labour maximum land size for banana companies: Assessment delivered, finally in context of entry requirement assessment and compliance with EmpCo and accreditation, discriminatory criteria is problematic. The topic will be closed for that reason.

In progress:

- Reporting requirements monitoring: Proposed schedule bi-annual. Next report: EUDR/deforestation reporting – moved to Q2 2026 SC meeting.
- Entry requirements assessment: Assessment report submitted to the EMT.
- Entry Requirements changes: Current entry requirements (e.g., for certification) are being reconsidered. They will likely be removed from standards and instead handled as application criteria at the certification entry stage. This shift is due to accreditation and regulatory concerns (EmpCo framework).
- Standards Publication Updates: Textile Standard: publishing very soon, Gold & Precious Metals Standard: expected in Q2, Climate Standard: being phased out, but still updated for ongoing projects and Fruits & Vegetables standards (merged version) will apply from January 2027

Delays

- EUDR-related deforestation reporting: has been delayed due to limited capacity in GI. This report is now expected in the next meeting (like July).

Item 2 – News session

News from the OC

The SC will be updated of the OC minutes accordingly and in due time.

News from SC

The SC was notified about the two new SC members: Ms Silvia Herrera Hernández (LATAM producer seat) and Ms Kalindi Lorenzo (Trader Representative seat).

Ben Huyghe term was renewed for the next tenure.

Proxy votes and declaration of conflict of interests: Selene Scotton gave her proxy vote to Nicholas Kadiri on 24th March; Ben Huyghe, obtained a proxy vote from Gustavo Lopez for the 24th of March. There was no proxy for Arun Ambatipudi.

News from S&P

Team recognition for engagement and delivery on StEP.

The Head of Standards steps into Senior Advisor role for the StEP project while the recruitment for the Heas of standards and Sr. Project Manager is ongoing.

Item 3 – Director’s Decisions

Discussion

The SC members were earlier presented with the Director’s decisions before the meeting. He approved changes in Standards for fruits and vegetables, coffee/trader Standard, climate standard, fresh fruit/wine grapes, and cane sugar.

Standard updates and Pricing & Wages Update.

- Enhancements to coffee traceability using a mandatory identifier to improve supply chain transparency and traceability.
- Updates to fruit & vegetables (potatoes) based on pilot learnings.
- Minor adjustments to climate, wine, and sugar standards for consistency and regulatory alignment.
- Alignment of cocoa pricing timelines with national regulations.
- Extension of pineapple minimum price to East Africa.
- Information provided on wage calculations (flowers and bananas) based on established methodologies.

Decision

All updates and changes resulting from the Director’s decisions over the past months have been accepted without objection. The information provided has been clear, transparent, and sufficient.

Item 4 – News from the CEO and SOP Standards and SC ToR

News from the CEO

The CEO updated in general about the system’s effort to maintain FLOCERT and Fairtrade International’s legal compliance and system credibility, about the recruitment process for the permanent EMT, and informed in detail about the Empowerment Consumer Directive coming into effect on 27 September 2026. Fairtrade currently is finalizing a set of actions to ensure full EmpCo compliance and developing guidance for members regarding on pack (and off pack) claims approval.

SOP Standards and SC ToR

Discussion

The SC members were informed of the changes to the SC ToR and the SOP Standards. The SC requested minor adjustments to the SC ToR to clarify the communication between SC and EMT.

Decision

The Standard Committee approved unanimously the SOP Standards, noting it retains final decision-making authority and the new role of EMT to ensure legal compliance and strategic alignment.

Next Steps

- SC ToR: Finalize and approve updated Terms of Reference: EMT Review based on comments from SC, Governance Cte Review and & EMT Approval. EMT to communicate to SC.

SOP Standards: Effective immediately for all new standards projects, and consideration for existing projects where necessary and feasible.

Item 5 – STEP

The update is summarized hereafter:

Status: Principles framework completed (Oct 2025). Product standards integrated (Dec 2025). Risk & Results approach integrating into standards (Mar 2026).

Key Changes: One consolidated standards framework (no separate product standards). Product specifics moved to annexes. Criteria applied proportionally based on risk (risk Map + self-assessment).

Impacts: Stronger support for Fairtrade claims & regulatory compliance (EmpCo). Reduced duplication, audit burden, and documentation. Clearer and more user-friendly standards for producers.

Development Criteria: Apply only in high-risk contexts. Implemented from Year 3. Focused on solving identified problems.

Consultation: Public consultation: 18 May – 18 July 2026. PN/NFO webinars and workshops underway
New digital consultation platform

Next Steps:

Complete consultation and analysis of feedback. Finalize standards and assurance alignment
Roll-out capacity building and implementation support

Q&A

The discussion led to the following clarifications:

All proposals (including development criteria for changes and extension of applicability) are subject to consultation and final decision by the Standards Committee. Future reviews may be organized by topic or product depending on where pressure arises, but coherence across principles and products will be a core responsibility of the Standards Committee to protect claim credibility, especially under the Empowering Consumers Directive.

Legal oversight is provided through ongoing consultation with compliance and legal teams; a full legal review will occur before public consultation in May.

The self-assessment tool is simplified and closely linked to standards requirements and previous audit findings. Audits can still proceed using the Risk Map even if self-assessments are weak or missing. Capacity building will be essential for producers and auditors.

Capacity constraints at PN level are acknowledged; the approach requires incremental implementation rather than perfection from the outset.

All existing mandatory requirements remain; therefore, benchmarking outcomes should not deteriorate. The risk-based approach does not reduce standards of content and should not justify downgrading. Benchmarking will be tested with ITC Standards Map; results will inform engagement with other benchmarking bodies.

Re the risk assessment it was confirmed that this is planned through a “test and learn” approach, involving small groups or one-to-one testing with producers to walk through the full flow (risk map, self-assessment, applicability of requirements, and audit preparation).

The Standards Unit team acknowledged that reflection about future reviews still need to happen, noting that the new structure may make future reviews more coherent and straightforward by separating product-specific elements from core principles.

Item 6 – Trader standard.

The Project Manager provided a recap to the SC members about the already approved decisions and introduced three topics with recommended proposals for SC decision-making.

1. Pre-Finance

Pre-finance aims to help farmers to access funds to purchase from members, with an option for traders to assess the risks related to provision of pre-finance, and if risks are high – to facilitate access to pre-finance via the third party. The pre-finance must be offered to SPOs and HLOs. Key challenges brought by stakeholders are: mandatory offer of pre-finance is not always practical due to financial risks for traders; provision often relies on a few committed actors it while others go with option to facilitate; pre-financing may cause imbalanced negotiations or discourage traders, and may lead to complex or illogical setups (e.g. trader financing another trader); difficult to apply consistently given various market realities.

SU proposal:

- Keep pre-finance as a core concept and to consider some flexibility around mandatory provision (i.e. upon request from producers)
- Keep minimum 60% of contract value (unless product-specific rules differ).
- Keep option to facilitate the pre-finance
- To delete the 5.4.4. and 5.4.5 Voluntary Best Practice requirements (on interest-free pre-finance and access to other types of finances), keeping ‘Interest-free prefinance’ as a best practice for the requirement on pre-finance provision.
- Add clarity that producer organizations with trader role (e.g., those acting as traders) are not eligible for pre-finance.
- Modify requirement on written agreement and introduce new requirement for producers have the agreement signed by financial or equivalent authority

The proposed overall changes to current Trader Standard:

- Modify requirement 5.4.1 for pre-finance to be provided upon request from producers
- Modify 5.4.2 for written agreement to include re-payment terms if (producer) certification is lost and applicable percentage

- Keep the requirement 5.4.3 on facilitation of pre-finance
- Introduce NEW requirement for SPO/HLO producers to participate and agree on terms in written agreement if pre-finance is provided by trader
- delete voluntary best practice requirements - 5.4.4 and 5.4.5

Decision 1: Do you agree to introduce all changes outlined in the recommended proposal?

SC vote: 7

2. Product composition and revised approach to exceptions.

The Project Manager explained that the proposed changes to the standard in this session are related to the product composition and exceptions, outlining the key points or challenges relevant for discussion and decisions.

- Product Composition: The implementation of 20% minimum content rule and the rule for cases when products are with >50% added water in some cases becomes arbitrary. For example, when dairy products are substituted by non-dairy options.

SU proposal: to modify the standard product composition rule to allow for all composite products to calculate the Fairtrade percentage excluding added water and fluid dairy, regardless of the amount of added water and dairy. All Composite Products must still meet the 20% Fairtrade content rule regardless of whether added water and dairy (if any) is excluded or not. This ensures consistency across dairy and non-dairy products.

- Approach to Exceptions: Exceptions were meant to be temporary but often became permanent in practice over the past years. Following the exceptions policy review the approach to exceptions was revised and already approved by the Fairtrade International Executive Management Team (EMT). The new approach includes integration of exceptions directly into the standard requirements as conditional rules, instead of treating them separately. The approach shifts the process from exceptions to clearly defined conditional rules within the standard. Overall, this reduces administrative burden of repeated exception requests, reflects real-world supply limitations, ensures compliance aligns with regulations and avoids contradictions.

SU proposal:

- Requirements on Mass Balance – ‘purchase prior to sale’ (2.1.9), ‘like-for-like’ (2.1.11) to refer to Exceptions and Documented Compliance Policy. for situations when there are systemic disruptions to supply chains of Mass Balance products, may apply for an exception.
- Requirements on product composition rule (2.2.1, 2.2.2, 2.2.5) to outline specific conditions when traders can use non-Fairtrade ingredients, by pro-actively demonstrating compliance with the outlined terms & conditions in the requirement and in the Exceptions and Documented Compliance policy.
- Delete requirement 2.2.4 on ‘exceptions for the use of non-Fairtrade ingredients’

Decision 4. Do you agree to introduce changes on elimination of reference to current approach and exceptions policy and modified requirements in sections Mass Balance (2 requirements) and Product Composition (4 requirements)?

SC votes: 7 Approved

3. Trader Standard Scope & Assurance

The Project Manager introduced the key elements to introduce the new category in the Scope & Assurance section, for companies that trade in supply chains with out of home points of sales:

- companies to be monitored by licensing bodies
- category is introduced in addition to existing categories of companies that require certification or verification.
- none of the requirements in the trader standard will be applicable to these companies

One of the objectives is for standard scope to be clear and ensure that certified traders are not penalized when selling unfinished i.e. non-consumer-ready packaged products to non-certified customers. To operationalize this change, the requirement 1.1.5 and definitions of finished and unfinished products need to be revised to address situations where certified or verified traders supply Out-of-Home (OOH) or Small Point of Sale (PoS) operators.

SU proposal:

- add the scope and definition of category of companies for out of home/point of sale supply chain, in the Trader Standard section 'Scope & Assurance'
- modify the current definition of finished and unfinished product.
- modify the 1.1.5 requirement to include the OOH/PoS situations

Discussion: The committee discussed the implications of this change and feasibility to implement such approach by the licensing bodies, specifically highlighting that for some countries/markets this may require to ensure additional resources and time.

Other concerns were about the practical implementation for small operators (e.g. restaurants and bakeries), the dependency implementation of the model on technical solutions in place, flagging that implementation would only be possible once the necessary tools are in place.

The Oversight and Compliance advisor clarified that the current small point-of-sale scheme is no longer considered viable in its current form, and this is reinforcing the need for a revised standardized approach which was put forward in the proposal. Next steps include assessment of the time needed to introduce changes on internal platforms and time to update supporting documents e.g. guidance for OOH points of sales on making reference to Fairtrade. Overall, the proposal already factored-in the need for transition time to be in place to allow for proper implementation of this model across all markets.

Decision 5: Do you agree for standards' section "Scope and assurance" to include a separate category for the OOH situations where operators are monitored by the Licensing Bodies, and to modify the current definitions of finished and unfinished product?

SC votes: 7 Approved.

Decision 6: Do you agree to modify the current requirement 1.1.5 to include in its scope the OOH/PoS ?

SC votes: 7 Agreed

Decision 7: Do you approve to delegate the transition timeline for implementation of OOH/PoS to the director of S&P?

SC votes: 7 Agreed

Final wording of Trader Standard

Decision 8: Do you agree to delegate approval of non-substantive changes and final wording of the standard to the director of S&P?

SC votes: 7 Agreed

Next Steps:

- Publish the Interpretation note for wine grapes (on eligibility of producer to request pre-finance)
- Edit, translate and publish revised standards
- Develop supporting materials to inform changes (e.g. Q&A, main changes document)
- Provide input for FLOCERT to develop compliance criteria

Item 7: HREDD in TS and HL

The Project Manager presented the key learnings from monitoring of Trader Standard HREDD requirements implementation since the date of publication in April 2024.

Currently, within the StEP project discussions, one of the approaches that is explored for the proposed merged standards is called a risk-based approach for social and environmental requirements applicable to producers. This approach was found as potentially suitable to explore for HREDD requirements applicable to traders. The main purpose is to improve the implementation of requirements, while standards are restructured. It was also noted that any possible change may impact the set of HREDD requirements applicable to HLOs.

The NFO team further presented the ideas on improved implementation of trader standard HREDD requirements: simplifying some existing requirements (commitment, grievance mechanism), sharpen the risk assessment requirement with two entry points, integrate the Action Plan into strong support requirement, shift the logic from “support at least one producer” to “implement at least one support measure” and recognize economic resilience actions as valid support.

To ensure a smooth transition from currently applicable standard where some of the HREDD requirements will become applicable as of 1 January 2027, another suggestion that was presented for exploration is to postpone this timeline for requirement applicability until finalization of StEP project. The implication for the

second option would mean that timelines for similar requirements in the Hired Labour standard would need to be postponed as well.

Discussion

A concern was raised about delaying the project, as producers already must comply and a delay for traders would be unfair. The argument that traders lacking supply chain knowledge was challenged, noting that producers face similar issues but still find solutions. While increasing sales was seen as a positive measure for economic resilience, it was pointed out that commitments often stop at immediate buyers and may not extend further and that traders in general, are reluctant to make long-term commitments to producers due to perceived risks.

An SC member raised the question of whether all NFOs and PNs were consulted. It was clarified that, while not all have been consulted yet, consultation with them was considered as a next step in the process. Further suggestions were to incorporate proposed elements into the StEP consultation process and to update the HREDD guidance/materials (e.g. on risk mitigation). The SU Head confirmed that the existing concerns be brought to the StEP project to ensure a coherent and aligned approach.

All SC members indicated that they did not feel comfortable proceeding with a vote at this stage. Given the lack of alignment, they requested additional information on the topic, ideally including other stakeholders' perspectives (NFOs, PNs), and asked for an extraordinary meeting where more information can be presented.

The S&P Director concluded by proposing to hold an extraordinary meeting in May and decide then based on greater visibility on what will be consulted in StEP,

Next Steps

- SU team to explore the proposed approach for HREDD requirements for traders and bring it to a wider system discussion.
- SU team to incorporate feedback from NFO and PN teams
- SU team to bring the proposals to the next SC meeting in May 2026.

Implications:

- The focus on amendments to the Trader standard may result in a delay for standard's publication dates.
- HML for Flowers may need to be postponed until July SC.

Item 8 – AoB and Closing

Discussion.

The SC members agreed to address Trader/HLO standards, HREDD requirements, and HML Flowers in an extra SC meeting to be scheduled in May.

The SC thanked Selene Scotton for her service and participation in the SC.

The new SC members were formally introduced to the SC members and will be inducted before the next SC meeting.

**Decision**

It was decided that the next virtual extraordinary meeting is on 21st May 2026.
The 123rd SC meeting was confirmed for 14th to 17th June 2026.