

## Fairtrade Organization Code Summary

This is a summary of the Fairtrade Organization Code (the “Code”), adopted on 4 July 2019 by the Fairtrade International Global Assembly. For the full version, please see [https://files.fairtrade.net/2019\\_FairtradeOrganizationCode.pdf](https://files.fairtrade.net/2019_FairtradeOrganizationCode.pdf). Definitions contained in this document shall be identical with those contained in the Code.

The Fairtrade Organization Code establishes a framework in order to:

1. Clarify and deliver against agreed standards of good practice expected of all Fairtrade Members (including Fairtrade International, licensing and marketing operations, producer networks and FLOCERT).
2. Provide assurance to Fairtrade stakeholders: partner organizations, business partners, licensees and trading partners, funders and donors, country governments where we operate, members of our national organizations, farmers’ and workers’ organizations, supporters of our movement, consumers and members of the general public.
3. Enable effective self-regulation and compliance, and deliver continuous strengthening and improvement of our system and operations.

Four values and 10 principles sit at the heart of our mandatory Code. The values and principles in turn drive Member commitments to follow agreed policies and procedures, and ensure that all parts of the Fairtrade System are clear about their roles and responsibilities.

VALUE	PRINCIPLE
Accountability	1. We manage our resources responsibly and ethically.
	2. We strive to be effective and deliver positive impact.
	3. We take responsibility for our actions.
Respect	4. We respect, protect and champion human rights, and fight for those most disadvantaged in international trade.
	5. We value, respect and nurture the people who work for us.
Integrity	6. We are honest, trustworthy and transparent about how we work.
	7. We govern our affairs in a responsible, democratic and transparent way.
	8. We practise what we preach in relation to fair and sustainable trade.
Partnership	9. We collaborate and coordinate our efforts as one global system.
	10. We build partnerships and collaborate for greater global impact.

### ACCOUNTABILITY

#### 1. We manage resources responsibly and ethically

##### 1.1 Financial Management and Reporting

Fairtrade Members commit to effective and accountable financial management, and transparency in financial operations.

##### 1.2 Maintaining Responsible Levels of Reserves

Members should ensure sufficient reserves for working capital so that they can continue to operate at all times, cover temporary shortfalls in income and unforeseen increases in expenditure, or withstand sudden financial shocks.

##### 1.3 Fraud and Corrupt Practices

Members commit to taking a robust and systematic approach to the prevention and detection of fraud and other corrupt practices, maintaining a culture of honesty and integrity.

##### 1.4 Value for Money

Fairtrade commits to delivering value for money, and will pursue efficiency, effectiveness and economy aligned with Fairtrade’s ethics and values in order to deliver sustainable impact.

##### 1.5 Ethical investment and fundraising

Fairtrade Members will seek to ensure that money raised and invested by their organizations do not conflict with the stated values and principles of the Fairtrade System.

##### 1.6 Trademark Protection

Members commit to ensuring correct usage of Fairtrade’s name, symbol and registered certification and brand trademarks, as central to the integrity of the Fairtrade System, and the trust placed in it.

#### 2. We strive to be effective and deliver positive impact

##### 2.1 Global Strategy

Fairtrade is committed to establishing strategic plans over 3-5 year horizons, in participatory processes involving producers, Members and key stakeholders.

##### 2.2 Establishing Key Performance Indicators

Fairtrade is committed to using monitoring performance & progress via key performance indicators (KPIs) aligned with the Global Strategy and Theory of Change, and measures of operational effectiveness.

## 2.3 Impact reporting and MEL

Members commit to establishing effective monitoring and evaluation processes to report on the size and scope of Fairtrade, provide evidence of benefits and impact, and to support independent evaluation and learning about our effectiveness, to drive continuous strengthening of the System.

## 3. We take responsibility for our actions

### 3.1 Managing complaints and allegations

Fairtrade commit to having clear processes and procedures to deal swiftly and professionally with any internal or third party complaints or allegations regarding the quality or delivery of our services, or the actions of our staff or any consultant or contractor acting on Fairtrade's behalf.

### 3.2 Whistleblowing

Fairtrade Members commit to providing mechanisms to enable staff and contractors to safely raise any serious concerns about the conduct of others, or the way in which the system is run, via a Whistleblowing Policy and Procedure, reporting into a global Whistleblowing scheme.

### 3.3 Risk Management

Fairtrade Members commit to creating an organizational culture that enables the global System to achieve its objectives through appropriate management of risk.

## RESPECT

## 4. We respect, protect and champion human rights, and fight for those most disadvantaged in international trade

### 4.1 Human Rights

Fairtrade Members commit to upholding human rights for all, regardless of race, religion, ethnicity, disability, age, displacement, caste, gender or gender identity, sexual orientation, poverty, class or socio-economic status, as enshrined in the UN Convention on Human Rights.

### 4.2 Protection of Children and Vulnerable Adults from violence and abuse

Members commit to follow the global policy and procedures designed to protect the wellbeing of children and vulnerable adults in communities associated with Fairtrade supply chains, and to safeguard them from violence or abuse.

### 4.3 Gender Equality and Women's Economic Empowerment

Members commit to enabling women and men to access the benefits of Fairtrade equally, promote gender equality and women's empowerment in producer organizations, and support a transformative approach to gender mainstreaming in the Fairtrade System.

### 4.4 Workers' Rights

Members commit to championing workers' rights in Fairtrade supply chains, including freedom of association and collective bargaining, improvement of working conditions, and listening to and disseminating the experiences and perspectives of workers.

## 5. We respect, value and nurture those who work for us

### 5.1 Code of Conduct

Members commit to developing and implementing a Code of Conduct, requiring those employed by, contracted to or representing them externally to uphold the values, principles, policies and procedures of the organization.

### 5.2 Child Protection

Members commit to developing and implementing a Child Protection Policy and Procedure for all staff, consultants or others working on an employed or voluntary basis, with clear guidelines for safeguarding children's wellbeing.

### 5.3 Sexual Exploitation and Abuse

Members commit to the prevention and protection of all individuals from all forms of sexual exploitation and abuse, and to implementing policies and procedures laying out the responsibilities of all individuals working in Fairtrade organisations to contribute to its prevention.

### 5.4 Harassment and Anti-Bullying Policy

Members commit to providing a safe and suitable working environment, upholding mutual trust, respect and confidence, and zero-tolerance towards any form of harassment or bullying that causes employees or other persons to feel intimidated, insecure or offended.

### 5.5 Human Resources

Members commit to operating professional human resources management, as appropriate to their size, income and nature of their work, via a core set of human resource policies and procedures.

### 5.6 Diversity and Equal Opportunities

Members commit to equality of opportunity for all employees, and to ensuring workplaces are free of all forms of discrimination, managed through core recruitment and employment policies and procedures, providing monitoring reports as part of organizational governance systems.

## 5.7 Workforce Security

Fairtrade International and its Members commit to adopt appropriate measures to protect workers, consultants, and contractors working in conflict countries or regions, or in places where their physical integrity and life can be put in danger.

## 5.8 Workers' Representation

Members seek to ensure fair working conditions and relationships between management and employers based on mutual trust, respect and regular dialogue, ensuring employees are freely able to join trade unions or other forms of worker association according to their own choice.

## INTEGRITY

### 6. We are honest, trustworthy and transparent about how we work

#### 6.1 Annual Reporting

Members commit to publishing annual reports, providing clear and accessible information about progress against strategy and plans, what we are achieving, how we are raising and spending money in pursuit of agreed goals, and where we need to change and improve what we do and how.

#### 6.2 Communication / Public Information Disclosure

Fairtrade communications should be aligned with the principles and guidelines outlined in Fairtrade Communications Strategy, Fairtrade's Brand Handbook and Mark Management guidelines, as well as the Media Crisis Management Procedure.

#### 6.3 Working with the Media

Fairtrade Members should deal openly and transparently with the media, in line with policies and procedures regarding protection of vulnerable people, data protection and commercial confidentiality.

#### 6.4 Data Governance

Members shall treat any information received from another Party, including any reported data or internal policies, as confidential, and have a clear data protection and privacy policy in place, ensuring compliance with national and/or international data protection legislation.

#### 6.5 Conflict of Interest

Members commit to implementing a Conflict of Interest policy, which ensures representatives commit not to use their positions with Fairtrade organisations, or knowledge gained from their position, for their personal benefit, or to benefit one party to the disadvantage of another.

### 7. We govern our affairs in a responsible, democratic and transparent way

#### 7.1 Global governance and ownership

Members commit to actively participate and exercise their ownership rights and responsibilities through the General Assembly and International Board, according to the rules and procedures laid out in Fairtrade International's Constitution.

#### 7.2 Member Governance

Members are responsible for establishing and operating their own effective governance bodies, ensuring they are constituted to take account of relevant membership and stakeholder representation requirements plus areas of specific professional expertise and knowledge.

#### 7.3 Legal Compliance

Members are required to be legally registered entities in their own country of operation and must ensure they meet legal obligations and reporting requirements with regard to relevant authorities.

#### 7.4 Decision Making Roles and Responsibilities

Members may freely make decisions relating to their own organization, provided that such decisions do not conflict with the overall direction of Fairtrade, or resolutions and decisions of the General Assembly, and respect the Policy and procedures on territorial rights and interests.

#### 7.5 Membership

The process and criteria for applications for membership of Fairtrade International, and the rights and obligations of Members are laid out in Section 4 of the Fairtrade International Constitution.

### 8 We practice what we preach in relation to fair and sustainable trade

#### 8.1 Procurement Policy

Members commit to clear and transparent procurement of supplies, equipment and services, and to managing supplier contracts with good administrative practices, including dealing fairly and paying fair prices.

#### 8.2 Ethical and Fairtrade Sourcing

Members seek to model best practice in procurement of ethical, Fairtrade and sustainably certified goods and services for their offices, events or other activities, wherever these are available in their local market.

### 8.3 Living Wages

Members commit to uphold and promote payment of living wages internally and in relation to service providers and procurement policies, ensuring they pay at or above minimum or industry standard rates, and applying available calculations of living wages where possible.

### 8.4 Environmental Management and Impact

Members commit to environmental sustainability and climate change prevention, and to improved environmental outcomes in external and internal operations, including travel, office and property management, procurement of goods and services, events, meetings, use of vehicles and equipment.

## PARTNERSHIP

### 9. We collaborate and coordinate our efforts as one global organization

#### 9.1 Strategic Planning Processes

Fairtrade is committed to a participatory and democratic approach to strategic planning, and a spirit of cooperation and solidarity amongst Member, to drive consensus over contextual analysis, strategic directions, priorities and plans.

#### 9.2 Membership roles and responsibilities

Members commit to fulfilling their own stated responsibilities and to respecting the roles of others, as laid out in the Fairtrade International Constitution, this Code and any existing or future Members' Agreements or relevant resolutions of Fairtrade International's General Assembly or Board.

#### 9.3 Territorial Rights and Interests

Members commit to treating each other fairly and respectfully, following the policy on Territorial Rights and Interests adopted at the General Assembly in 2018, and the processes laid out therein for consultation and information sharing.

#### 9.4 Resourcing the Global System

Members commit to pay annual membership fees as determined by the Fairtrade International Board, and not withhold or make offsets against membership fees, unless agreed. Members seek to collaborate where possible to secure major partnership funding for agreed programmes and initiatives.

### 10. We build partnerships and collaborate for greater global impact

#### 10.1 Farmers' and Workers' Organizations

Fairtrade collaborates with movements representing small-scale farmers and artisanal miners, workers' rights organisations and trade unions to improve working conditions, terms of trade and livelihoods, uphold human rights and improve social and environmental impacts of doing business.

#### 10.2 Movement for fair and sustainable trade

Members commit to campaign for trade justice, and secure more opportunities for disadvantaged producers to secure a fairer deal for their products, working together to advocate Fair Trade principles with governments and decision makers, as well as with other platforms for fair and sustainable trade.

#### 10.3 Stakeholder engagement and participation

Fairtrade is committed to timely participation and engagement key stakeholders in our governance, and participation in our standard and policy setting processes, business innovation approaches, programme development, advocacy and campaigning initiatives.

#### 10.4 Fairtrade Supply Chain Partners

Members commit to high standards of customer service for supply chain partners and their timely involvement in developments that may impact upon their business. Members collaborate with Fairtrade corporate partners to share insight and learning, and advocate together on shared issues.

#### 10.5 Corporate Partnerships

Members ensure decisions to establish corporate partnerships beyond certification are in line with Fairtrade's values and principles, do not create financial or reputational risk nor serious conflict of interest with Fairtrade's core business or the legitimate interests of any other member.

#### 10.6 Policy, Advocacy and Global Campaigning

Members commit to collaborate on policy and advocacy, amplifying the voices of farmers and workers in confronting policies that impede fair trade and sustainable business, and engaging the public to take action and forge their own local campaigns for Fair Trade.

#### 10.7 Professional networks and forums

Fairtrade Members seek actively contribute to professional networks and forums relevant to the nature of their work, drawing on training, best practice or codes of conduct within their own sector, as well as taking part in relevant common cause campaigns or sector-wide initiatives.