



Fairtrade Complaints and Allegation Policy

Legal & Compliance

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A. Objective

Fairtrade Organizations¹ (also Fairtrade or 'Fairtrade Members') are committed to accountability as a core principle and strive to take responsibility for their actions. We believe in continuous improvement of our work environment and therefore invite all relevant stakeholders to inform us of any incidents or omissions that require correction or adjustment by providing stakeholders with channels to report any incidence or suspicion of misconduct or malpractice. This Global Complaints and Allegations Policy outlines Fairtrade's commitment to dealing with complaints and/or allegations, to ensure that any legitimate frustration, concern and/or complaint is investigated and responded to properly. This policy document also provides information about how we manage, respond to, and learn from complaints and allegations cases.

Fairtrade encourages all stakeholders or any third parties to raise any concern that they may have about the conduct of employees², Board members, consultants, contractors, customers of Fairtrade, or the way in which the Fairtrade Organizations or the Fairtrade System is managed.

The appropriate level of protection when relevant of whistleblowers and stakeholders (persons, legal entities etc.) being part of a complaint or allegation is a key objective in our complaint and allegation process. A sound allegation and whistleblowing procedure allows for the identification of problems which might otherwise not surface, and for subsequent correction and improvement.

The more cases detected; the more systematic approaches can be developed. The lessons learned can feed continuously into system improvement and make our business more successful.

B. Scope³

This Fairtrade Complaint and Allegation Policy applies to all Fairtrade Organizations, and it is an expectation that all persons and organizations within the scope of this Global Complaints and Allegations Policy familiarize themselves with this Policy, which is also publicly available on the website of Fairtrade International e.V.

All Fairtrade Organizations must develop, operate, and continuously improve their own complaints and allegation procedures to comply with this Global Complaints and Allegations

¹"Fairtrade" or "Fairtrade Members" means every organization contributing to the delivery of Fairtrade's governance and goals: Fairtrade International; FLOCERT; Fairtrade Producer Networks; National or Regional Fairtrade Organizations and Fairtrade Marketing Organizations.

² Employees includes students, volunteers, work-students, interns, trainees, apprentices.

³ This policy does not cover the [Appeal and Review](#) processes at FLOCERT.



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Policy. These procedures respect the national laws regarding whistleblowing in their respective countries and are published on each of the organization's websites to make their respective complaints and allegations channels accessible for any appropriate complainant or whistleblower.

Management and investigation of complaints and allegations depend on the content, circumstances and the people involved in the complaint or allegation.

The following scope and triage process shall apply:

- a. If the complaint / allegation is related to the conduct of the employees, Board members, consultant or any third party associated with a specific Fairtrade Organization, the complaint / allegation will be handled by the respective Fairtrade Organization.
- b. If the allegation / complaint refers to activities by a Fairtrade certified operator (Producer or Trader) and it is related to a breach of the Fairtrade Standards, the complaint / allegation will be handled by FLOCERT.
- c. If the allegation / complaint refers to activities of a Fairtrade certified operator (Producer or Trader) and is within the scope of the Act to Protect Policy the allegation / complaint will be handled in accordance with the Act to Protect Policy.
- d. If the complaint / allegation refers to multiple actors including employees, Board members, consultants, or contractors of Fairtrade Member and are related to the activities in the Fairtrade certified supply chains, it is considered as a Fairtrade System-wide complaint / allegation, therefore it will be managed / coordinated by Fairtrade International according to its internal complaints and allegations procedure.

Where this Policy and national legislation differ, the more severe regulation prevails. If the Policy requirement contradicts national legislation, Members should always comply with the national legislation.

C. Definitions

Allegation (in the context of this policy document) refers to an accusation, made by a third party claiming that there is a violation of the Fairtrade Standards or related policies and procedures, the Fairtrade Organization Code or related policies and procedures, is *prima*



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*facie*⁴ shown to be damaging Fairtrade's reputation or is misusing the FAIRTRADE Marks or is in breach of an agreement with a Fairtrade Organization.

Complaint (in the context of this document) is a dissatisfaction against Fairtrade services or Fairtrade activities, Fairtrade conduct and/or employees, Board members, consultants or contractors of a Fairtrade Organization claiming that this person or Organization *prima facie* has shown to be violating Fairtrade policies, procedures and regulations or Fairtrade services/ activities or has damaged Fairtrade's reputation.

Systemwide incidences (complaints/allegations in the context of this document) are cases that involve several parties within the membership, and in a Fairtrade supply chain, or they are incidences that are isolated to one specific situation and have a high risk for the Fairtrade System.

⁴ *prima facie* means a fact or presumption that is sufficient to be regarded as true unless otherwise disproved or rebutted.



D. Policy Statement

Fairtrade will handle all complaints and allegations following the principles based on the “Effectiveness criteria for non-judicial⁵ grievance mechanisms” defined in the “Guiding Principles on Business and Human Rights” by the United Nations⁶:

- (a) **Legitimate**
enabling trust from the stakeholder groups for whose use they are intended and being accountable for the fair conduct of grievance processes
- (b) **Accessible**
being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face barriers to access
- (c) **Predictable**
providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation
- (d) **Equitable**
seeking to ensure that aggrieved parties have reasonable access to sources of information, advice, and expertise necessary to engage in a grievance process on fair, informed and respectful terms
- (e) **Transparent**
keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake
- (f) **Rights-compatible**
ensuring that outcomes and remedies accord with internationally recognized human rights
- (g) **A source of continuous learning**
drawing on relevant measures to identify lessons for improving the mechanism and

⁵ i.e. *not relating to or taking place in a law court*.

⁶ Source: United Nations, The Office of the High Commissioner for Human Rights.

https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr_en.pdf



preventing future grievances and harms

Operational-level mechanisms should also be:

- (h) **Based on engagement and dialogue**
consulting the stakeholder groups for whose use they are intended on their design and performance and focusing on dialogue as the means to address and resolve grievances.



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E. Common operational standards for processing complaints and allegations

All Fairtrade Organizations within the scope of this policy develop and operate their respective complaint and allegation procedures following the below criteria:

(a) **Confirmation of receipt**

The receipt of complaints and allegations will be confirmed to the complainant within 7 working days.

(b) **State of investigation**

The state of investigation will be sent to the complainant within 3 months after receipt of the complaint or an allegation.

(c) **Trained employees**

All complaints and allegations received on official channels by the Fairtrade Members are managed by trained employees being aware of the Global Complaints and Allegations Policy and the related procedures.

(d) **Documented**

Complaints or allegations have to be documented in written form⁷. Some complaints or allegations may be both made and resolved verbally (e.g. by telephone or face to face), where they are unable to be resolved verbally, complaints must be made in writing by the complainant. Cases that were made and resolved verbally have to be documented.

(e) **Right to appeal**

Complainants who have launched a complaint or allegation and who are unsatisfied with the response to that complaint or allegation have the right to appeal. Appropriate appeal processes are outlined in the related procedures of the Fairtrade Organizations to this Global Complaints and Allegations Policy.

(f) **Independence of point of contact**

Any complaints or allegations logged on an official complaint and allegation channel of the Fairtrade Organization (i.e. point of contact), will be processed independent of whether the Fairtrade Organization is providing the channel is also part of the complaint or allegation. The employee responsible for the complaint or allegation and is managing the channel, will transfer the complaint or allegation to the responsible Fairtrade Organization e.g. FLOCERT or any National Fairtrade Organization as defined in the scope (under point B of this Policy).

⁷ Written form includes virtual documentation, PDF documents, emails, use of IT tools etc.



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(g) Confidentiality

Complaints are confidential. Some complaints need to be kept confidential in order to safeguard those making or are involved in the complaint or allegation. However, in some instances the complainant will be better served if others are involved in the resolution of a complaint. Third parties will only be included in the resolution of confidential complaints on a case-by-case basis. When the Fairtrade Organization has the duty to act, it is obliged to act, and this includes disclosing the case to other parties or might include informing the accused person. Complainant must be informed of this fact. If the complainant wishes that the complaint is treated fully confidential, the complaint / allegation must be filed anonymously.

(h) Non-Retaliation

Filing a *bona fide*⁸ allegation/complaint will in no way be used against the complainant or have an adverse impact on the individual's employment or contractual status. Filing a groundless and malicious allegation is a violation of the Code of Conduct and would be treated accordingly. It will not allow for protection and a sanction appropriate to the behaviour has to be applied.

(i) Lessons learned

Complaints and allegations procedures are a tool for learning and improvement. It is the responsibility of all Fairtrade Organizations complying with this policy to draw up a lesson-learnt report to be presented to their executive director and other persons affected by the issue.

F. Monitoring Compliance

In order to record all complaints and allegations at Fairtrade, learn from them and derive follow-up measures, the reporting system is carried out by the Fairtrade in several stages up to the General Assembly with the aim of obtaining approval for the follow-up measures.

The step-by-step process is described below:

- a. The compliance officers of all Fairtrade Organizations prepare an *annual report on complaints and allegations* they have received. For this report, Fairtrade Organizations use the template in Annex 2 and send this report to the Head of Oversight and Compliance of Fairtrade International.
- b. On the basis of these reports, the Head of Oversight and Compliance prepares a summarized report once a year, with analysis of the main points of the

⁸ *Bona fide* means in 'good faith', without intention to deceive.



complaints and allegations received (*annual analyzed report*) and makes this report available to Fairtrade's Compliance Expert Group.

- c. The Compliance Expert Group discusses this report and draws up a proposal for follow-up measures and further action. The Head of Oversight and Compliance, as a member of the Compliance Expert Group, sends the *annual analyzed report* including the *proposal for follow-up measures* to Fairtrade's Governance Committee.
- d. The Governance Committee prepares its *compliance report* once a year, in which the focal points from the area of complaints and allegations, including the lessons learnt and the proposal for follow-up measures, are integrated. The *compliance report* is submitted to the General Assembly for review and approval of the follow-up measures.



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Annex 1. Reporting Table

Measurable Policy Objective	Who is Monitoring?	Reporting Frequency	How do we Monitor?	To Whom the Monitoring is reported to?
Approval for follow up measures	General Assembly & Fairtrade International Board	annually		
Compliance report (including complain and allegation topic and the proposal for lessons learned)	Governance Committee	annually	reporting	General Assembly & Fairtrade International Board
analyzed report & proposal for follow up measures	Compliance Expert Group	annually	reporting	Governance Committee
analyzed report 2)	Head of Oversight and Compliance Fairtrade International	annually	reporting	Compliance Expert Group
annual report on complaints and allegations 1)	Compliance Officer Fairtrade member	annually	reporting	Head of Oversight and Compliance Fairtrade International



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Annex 2. Reporting Template (will be provided at a later stage)



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Document Change History

Document version	Date approved and by whom	Mandatory Review	Creator
1	19 June 2024, Fairtrade General Assembly	5 years from approval	Head of Oversight and Compliance