



## Fairtrade Minimum Price and Premium database

### *User's guide*

The Fairtrade Minimum Price and Premium database aims at providing easy access to Fairtrade price and premium information. This guide explains:

- I. **Content and structure of the database:** Information included in each column, definition of terms, list of abbreviations
- II. **Instructions for use:** printing and saving the database
- III. **Validity and additional features:** replacement of Fairtrade Minimum Price and Premium Table, additional features, who to contact for suggestions and comments

### I. CONTENT AND STRUCTURE OF THE DATABASE

#### What kind of information does the database contain?

The search result does not only indicate price and premium for a certain product, but also contains information on the product standard this product belongs to, the producer scope, price level and when the prices became valid:

Title of the column	Information
<b>Product (specific product standard)</b>	All <b>products</b> that can get Fairtrade certified appear in the database. FLO publishes generic standards, that all producers and traders must comply with, and <b>specific product standards</b> that apply to particular products or product groups. In order to make this information easily accessible, we have included in brackets the specific product standard that a product belongs to.
<b>Product variety</b>	This column specifies the quality and characteristics of the product, e.g. if it is conventional or organic, fresh or dried etc.
<b>Price applies to</b>	Fairtrade Minimum Prices and Premiums may be set for <b>countries, regions or at world-wide level</b> . Please note that a list of all countries and regions for which Fairtrade certification is possible (geographical scope of Fairtrade certification) can be found on top of the database. Fairtrade products are produced by <b>Small Producers' Organizations (SPO), Hired Labour (HL) or in Contract Production (CP)</b> . Most prices and premiums apply to only one or two of these production scopes.
<b>Currency / Quantity x Unit</b>	Prices are set for a fixed <b>quantity</b> per <b>unit</b> and in a specific <b>currency</b> .
<b>Price level / *special price conditions</b>	Prices are set at a certain <b>price level</b> . In the list of abbreviation, the differences between FOB, EXW, Farm Gate etc. are explained. For some products, <b>special price conditions</b> apply that are listed in the specific product standard a product belongs to. When an asterisk appears in this column, please refer to the corresponding product standard for more information.
<b>Fairtrade</b>	<b>Fairtrade Minimum Price</b> (where it exists) is the lowest possible price that may

<b>Minimum Price</b>	<p>be paid by buyers to producers for a product to become certified against the Fairtrade standards.</p> <p><b>Commercial price:</b> For some products, no Fairtrade Minimum Price exists. The paid price is a negotiated price between the seller and the buyer.</p> <p><b>Easy Entrance</b> is the name of a procedure allowing new products in existing categories to enter Fairtrade without a Fairtrade Minimum Price, only with a Fairtrade Premium. You can find more information on Easy Entrance below.</p>
<b>Fairtrade Premium</b>	<p><b>Fairtrade Premium</b> is an amount paid to producers in addition to the price for their products. The Fairtrade Premium is intended for investment in the producers' business and community (for Small Producers' Organizations or Contract Production projects) or for the socio-economic development of the workers and their communities (for Hired Labour situations).</p>
<b>Valid from</b>	<p>This column shows since when a price or premium has been valid. The database also contains some prices and premiums marked in red that will only become valid in the future.</p>

### List of abbreviations

<b>CIF</b>	<p><b>Cost, Insurance and Freight</b> means that the seller delivers when the goods pass the ship's rail in the port of shipment. The seller must pay the costs and freight necessary to bring the goods to the named port of destination but the risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time of delivery, are transferred from the seller to the buyer. However, in CIF the seller also has to procure marine insurance against the buyer's risk of loss of or damage to the goods during the carriage. The CIF term requires the seller to clear the goods for export.</p>
<b>CP</b>	Contract Production
<b>Easy Entrance</b>	<p><b>Easy Entrance</b> is the name of a procedure allowing new products in existing categories to enter Fairtrade without Fairtrade minimum price, only with a Fairtrade premium, during one full annual production and trading season. Meanwhile the paid price is a negotiated price between the seller and the buyer. The Fairtrade premium is paid in addition of the negotiated price. Sellers and buyers are explicitly asked to ensure that the negotiated price covers the costs of sustainable production (COSP). After one full annual production and trading season thanks to the Easy Entrance, producers are asked to feedback data to the pricing unit of FLO. Currently, for almost all Herbs and Spices, this rule is extended without time limit.</p>
<b>EUR</b>	Euro
<b>EXW</b>	<p><b>Ex Works</b> means that delivery takes place when the seller places the goods at the disposal of the buyer at the premises of the seller or another named place (works, factory, warehouse, etc.) not cleared for export and not loaded on any collecting vehicle.</p>
<b>FAS</b>	<p><b>Free Alongside Ship</b> means that the seller delivers when the goods are placed alongside the vessel at the named port of shipment. This means that the buyer has to bear all costs and risks of loss of or damage to the goods from that moment. The FAS term requires the seller to clear the goods for export.</p>
<b>Farm Gate</b>	<p><b>Farm Gate</b> price as used by FLO refers to the gate of the certified producer entity (e.g. the Small Producers' Organization), and not the gate of the individual producer's farm. Farm Gate therefore means that the seller (the certified producer entity) delivers when they place the goods at the disposal of the buyer at the premises of the seller.</p>
<b>FOB</b>	<p><b>Free on Board</b> means that the seller delivers when the goods pass the ship's rail at the named port of shipment. From that point forward, the buyer has to bear all costs and risks of loss or damage to the goods. Under FOB terms, the seller is required to clear the goods for export.</p>
<b>GBP</b>	British Pound
<b>HL</b>	Hired Labour

<b>INR</b>	Indian Rupee
<b>LAK</b>	Lao Kip
<b>MT</b>	Metric Ton = 1000 kilogram
<b>Organic differential</b>	For some certified organic products, a <b>minimum organic differential</b> is set. It is the lowest possible differential that producers must receive in addition to the Fairtrade Minimum Price or market price, whichever is higher. If a Premium is set for the conventional product variety, this Premium also applies to the organic product, unless stated differently. In the case of Fairtrade coffee for example, buyers pay the Fairtrade Minimum Price or the market price, whichever is higher, and a Premium for conventional coffee. For organic coffee, an organic differential needs to be paid on top of price and Premium. <i>Conventional coffee: Minimum Price or market price + Premium</i> <i>Organic coffee: Minimum Price or market price + organic differential + Premium</i>
<b>1 pound</b>	0.4535924 kg; 1 kg= 2.2046 pounds
<b>SPO</b>	Small Producers' Organization
<b>THB</b>	Thai Baht
<b>USD</b>	US Dollar
<b>ZAR</b>	South African Rand

## II. INSTRUCTIONS FOR USE

By using the search function, prices for specific products and/or for specific destinations can be found within an instant.

### How do I print the full list of prices and premiums or specific search results?

You can print the full list or your individual search results by clicking on PRINT PAGE at the bottom of the list.

### How do I save the list of prices and premiums on my computer?

In case a PDF creator is installed on your computer, please click on PRINT PAGE at the bottom of the list, then select the PDF creator and click on OK. Your search result will be saved as a PDF document.

If no PDF creator is installed on your computer, you can click on FILE, then SAVE PAGE AS and then select "HTML only" as file type.

### Is it possible to change the language settings of the database?

For the moment, the database is only available in English. Due to technical reasons, it is still to be seen whether the database can also be provided in French, Spanish and Portuguese in early 2010. In case this is not possible, FLO will continue providing updated price and premium information in these languages in table (PDF) format on the website, as currently.

### I found a mistake in the database. Whom shall I contact?

In case you have any suggestions for improvement or find mistakes or omissions in the database, please contact Chiara Tabaccanti at [standards@fairtrade.net](mailto:standards@fairtrade.net).

## III. VALIDITY AND ADDITIONAL FEATURES

### Is the Fairtrade Minimum Price and Premium information in the database legally binding?

From 1<sup>st</sup> May 2010, this database substitutes the Fairtrade Minimum Price and Premium Table as the only legally binding source of information about Fairtrade prices and premiums. After this date, the Fairtrade Minimum Price and Premium table, to be found at [http://www.fairtrade.net/generic\\_standards.html](http://www.fairtrade.net/generic_standards.html), will have merely information purposes about Fairtrade prices and premiums, while the new database will be the official source. Both tools will be maintained with current price and premium information to offer adequate language coverage and a printer friendly version.

### **How can I stay informed about any database update?**

In order to immediately and directly inform about any changes to the database, an online Pricing Newsletter has been set up. If you are interested in receiving automatic updates, you can sign up at <http://www.fairtrade.net/subscription.html>.

In case you have any suggestions for improvement or find mistakes or omissions in the database, please contact Chiara Tabaccanti at [standards@fairtrade.net](mailto:standards@fairtrade.net).