



FAIRTRADE
INTERNATIONAL

Announcement:

Fairtrade International completes Global Social Compliance Programme (GSCP) Equivalence Process

(09.05.2016)

Fairtrade International is pleased to have completed the GSCP Equivalence Process comparison of the Hired Labour Standard against the GSCP Reference Code and Audit Process and Methodology in January 2016.

The GSCP is a programme facilitated by the Consumer Goods Forum to promote alignment of supply chain practices while improving compliance and operational efficiency. This is achieved through voluntary engagement of industry actors and accomplished through a suite of Reference Tools in the GSCP Equivalence Process. The Equivalence Process was introduced to allow buying companies, initiatives and other organizations to benchmark their systems, tools and processes against agreed best existing practices as described in the GSCP Reference Tools.

Fairtrade International completed the GSCP Equivalence Assessment process which benchmarked the Fairtrade Hired Labour Standard against the 'Reference Code' tool where an emphasis is placed on labour and working conditions. The benchmarking process has helped us to identify areas of improvement that will be considered in the next review of the Hired Labour Standard.

The Equivalence Process for Fairtrade Hired Labour Standard resulted in 7 A+ (16%); 20 A (44%); 6 B (13%); and 12 C (27%) grades. In summary, 60% of the total grades were "A" or "A+" which are considered equivalent to or going beyond the criterion outlined in GSCP's tool. The lower grades are in part due to specific differences in details between the HL standard and GSCP criterion and also to the fact that the benchmarking was performed against requirements that are applicable at initial certification only. Additional requirements in the following years of certification were not considered in this Equivalence Assessment.

Fairtrade as a development tool to promote fairer trading conditions recognizes that operators may not be in a position to comply with all requirements at initial certification. Over time, with increasing producer capacities, and together with sales under Fairtrade conditions, producers are able to meet the requirements in the Fairtrade standards. Therefore, there are requirements that apply after 1, 3 or 6 years of certification that were not considered in the GSCP Equivalence Process. In addition, several unique features of Fairtrade that foster the empowerment of workers and their achievement sustainable livelihoods fall outside the scope of the GSCP tool. For example, the decision making and management over the Fairtrade Premium and the promotion of fairer trading conditions in the supply chain are not part of above mentioned benchmarking results.

To access the full version of the results, click [here](#); to read the full Fairtrade Standard for Hired Labour click [here](#).

Fairtrade International's assurance provider for producer and trader certification, FLOCERT, has also completed the GSCP Equivalence Assessment process which benchmarked their auditing procedure against the GSCP 'Audit Process and Methodology'. More information on the results of this assessment will be available soon, click [here](#).

For more information about Fairtrade International, please contact standards-pricing@fairtrade.net. For more information about the Equivalence Process, please contact - gscp@theconsumergoodsforum.com

Best regards,

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