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| **Consultation document for Fairtrade Stakeholders:**  Review of the Fairtrade Standard for Small Producer Organizations | |
| Consultation Period | 3 July 2017 – 29 September 2017 |
| Project Manager | Gelkha Buitrago, Head of Standards |

**PART 1 Introduction**

**1. General Introduction**

Fairtrade Standards support the sustainable development of small-scale producers and workers in the Global South. Producers and traders must meet applicable Fairtrade Standards for their products to be certified as Fairtrade. Within Fairtrade International, Standard & Pricing (S&P) is responsible for developing Fairtrade Standards. The procedure followed, as outlined in the [Standard Operating Procedure for the Development of Fairtrade Standards](https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/SOP_Development_Fairtrade_Standards.pdf) is designed in compliance with all requirements of the [ISEAL Code of Good Practice for Setting Social and Environmental Standards](https://www.isealalliance.org/our-work/defining-credibility/codes-of-good-practice/standard-setting-code). This involves wide consultation with stakeholders to ensure that new and revised standards reflect Fairtrade International’s strategic objectives, are based on producers’ and traders’ realities and meet consumers’ expectations.

You are kindly invited to participate in the review of the Fairtrade Standard for Small Producer Organizations (SPO). For this purpose, we kindly ask you to provide your input on the topics suggested in this document and encourage you to give explanations, analysis and examples underlying your statements. All information we receive from respondents will be treated with care and kept confidential.

**Please submit your comments to** [**standards-pricing@fairtrade.net**](mailto:standards-pricing@fairtrade.net) **by 29 September 2017.** If you have any questions regarding the draft standard or the consultation process, please contact [standards-pricing@fairtrade.net](mailto:standards-pricing@fairtrade.net)

Following the consultation round S&P will prepare a paper compiling the comments made, which will be emailed to all participants and also be available on our Fairtrade International website. Next steps of the project are presented in section four.

**2. Background**

Starting Q2 2017 the review of the Fairtrade Standard for Small Producer Organizations was resumed after the project was put on hold in October 2016.

Over hundreds of issues were brought to the project team’s attention by several stakeholders within the Fairtrade system since the last review in 2011. In addition, an active collection of input took place between April and September 2016. As a result 12 topics have been selected for the first round of public consultation. The consultation round is planned from early July until end September 2017.

This first round of consultation follows a different approach to engage with stakeholders compared to previous standards consultations. Instead of already putting forward concrete technical proposals, the current draft for consultation shares with stakeholders the description of a topic statement plus questions for discussion on a diverse but interrelated set of topics. The intention of this exercise is to engage in a more participatory approach focusing on understanding different views on a topic and an open discussion about the potential ways to address them.

Building on the outcomes of the first round of consultation, the second round will include a more technical proposal for discussion with stakeholders.

**3. Objectives of the review**

* Review and analyse outstanding issues included on the monitoring log on the SPO standard since last revision
* Collect additional topics, issues and concerns on SPO standard from relevant stakeholder groups
* Seek solutions from stakeholders to resolve standard related issues
* Consult on solutions with relevant stakeholder groups
* Ensure consistency in standards by aligning changes in all related product standards
* Improve standard language for better clarity and simplicity
* Develop final proposals for SPO standard for approval by Standards Committee

**4. Project and Process Information**

The project was resumed in Q2 2017 and the [project assignment](https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2017_05_02_ProjectAssignment_SPO_Review_EN.pdf) is available on the Fairtrade International website.

The current [Standard for Small Producer Organisations](https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/generic-standards/SPO_EN.pdf) is also available on the Fairtrade International website.

The progress to date and next steps are described below

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| **Activity** | **Timeline** |
| Scoping | May - June 2017 |
| Research | April – June 2017 |
| Consultation 1st round | July – Sept 2017 |
| Drafting proposal 2nd round | Oct – Dec 2017 |
| Consultation 2nd round | Jan- March 2018 |
| Drafting final proposal | April – June 2018 |
| SC decision | June 2018 |
| Publication | July 2018 |

**5. Confidentiality**

All information we receive from respondents will be treated with care and kept confidential. Results of this consultation will only be communicated in aggregated form. All feedback will be analysed and used to draw up the final proposal. However, when analysing the data we need to know which responses are from producers, traders, licensees, etc. so we kindly ask you provide us with information about your organization.

**6. Acronyms and definitions**

COSP Cost of Sustainable Production

FI Fairtrade International

GPM Global Product Manager

HL Hired Labour

ILO International Labour Organisation

NFO National Fairtrade Organisation

NGO Non-Governmental Organisations

PN Producer Network

PO Producer Organization

SPO Small Producer Organisation

YICBMR Youth Inclusive Community Based Monitoring and Remediation

**PART 2 Draft Standard Consultations**

This consultation is divided into the following sections:

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**The target groups of this consultation are:**

* SPO producers already certified or interested in becoming certified under the Fairtrade Standard for Small Producer Organisations.
* Licensees and traders certified / interested in becoming certified under the Fairtrade Standard for Small Producer Organisations.
* Producer Networks, National Fairtrade Organisations, Fairtrade International, FLOCERT, NGOs, researchers, etc.

For each topic stakeholders are invited to comment on the description of the topic and to share their views on the questions. Stakeholders are also invited to suggest additional ideas to address the different topics. Given the amount of open questions, the diverse set and high number of stakeholders expected in this consultation, participants are also asked to indicate the questions that are important to the organization/respondent. At the end a ranking question for all the topics is put forward. This will help the Project Team in prioritizing areas of work for the second round of the consultation. As much as possible the order of the list of topics follows the current structure of the SPO Standard.

If you are a SPO we encourage you to involve their members in this consultation. Over the period of consultation the Producer Networks (PN) will be carrying workshops to have collective discussions on the topics of this questionnaire, for more information please contact your PN.

How much time you spend in answering the questionnaire depends on how detailed your answers are. Your input is very important therefore please take your time. The online version saves itself automatically so you do not need to answer all in one go and can return to the questionnaire at a later point.

**Please take as much space as you need to respond to the questions.**

# Information about your organization

Please complete the information below:

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| **Q0.1** **Please provide us with information about your organization so that we can analyse the data precisely and contact you for clarifications if needed. The results of the survey will only be presented in an aggregated form and all respondents’ information will be kept confidential.**  Name of your organisation  Name of contact person      Click here to enter text.  Email of contact person  Country      Click here to enter text.  Product Click here to enter text.  FLO ID Click here to enter text. |
| **Q0.2 What is your responsibility in the supply chain? Please tick all that apply**  Producer  Exporter  Importer  Processor  Retailer  Licensee  Other (e.g. PN, NFO, FLOCERT, FI)  Click here to enter text. |

# Topics for discussion

## SPO definition

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| The current requirements in the SPO Standard allow bigger members or even plantations to be members of Fairtrade certified SPOs as long as a majority of members still fall under the small producer definition.  Bigger members that employ a high number of workers must comply with minimum requirements derived from core ILO standard requirements. However, workers employed at SPOs appear to receive less economic and social benefits than workers in hired labour settings.  It also allows plantation-size farmers to enter and benefit from Fairtrade, even in products that are only open to small producers (like sugar) increasing unfair competition among and within SPOs.  Both elements also present reputational risks for Fairtrade.  However, big members can also play an important role as they enable SPOs to offer greater supply at consistent quality and allow some flexibility to reflect the specific reality of the different regions.  **1.1 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions below you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: What are the key elements that should be considered to define a small producer organization? What elements could be flexible?  Click here to enter text.  **Question 2**: Should a higher percentage of small farmers according to Fairtrade’s definition of SPOs be required (>50%)?  Click here to enter text.  **Question 3:** Is a maximum limit of farm size for members of an SPO needed (for example including an upper limit of 30 hectares like it was recently introduced for banana producers)?  Click here to enter text.  **Question 4**: Is a distinction needed between products that are also open to HL (like fresh fruits) and products that are exclusively produced by SPOs?  Click here to enter text.  **Question 5**: Please read the paragraph below:  The Standard defines individual small producers for highly labour intensive products (cane sugar, prepared and preserved fruit & vegetables, fresh fruit, fresh vegetables, tea) as producers that fulfil the following criteria:   * They hire less than a maximum number of permanent workers, as defined and published by Fairtrade International (see [link](https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2017-04-01_SPO_indicator_table_EN.pdf)). * The size of the land they cultivate is equal to or below the average of the region, as defined and published by Fairtrade International (see [link](https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2017-04-01_SPO_indicator_table_EN.pdf)). * They spend most of their working time doing agricultural work on their farm. * Most of their income comes from their farm.   Do you think these criteria are still relevant to define individual small producers? If not, what elements would you add/change?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Management of production practices

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| The lack of effective management tools affects the efficiency and effectiveness of SPOs, which in turn limits the benefits for producers and reduces the impact of Fairtrade. It can also be perceived as a lack of professionalism, especially for large SPOs. Commercial partners are less inclined to source from Fairtrade producers if they are not perceived as strong and reliable organisations.  An Internal Management System (IMS) enables SPOs not only to manage compliance of their members but also to deliver effective services to their members. It also helps SPOs to manage resources, to plan, implement and monitor activities. IMS also enables effective data management, which is very useful for monitoring and evaluation purposes.  However, the implementation of an IMS includes also challenges. For example, the elevated costs and ownership of the process and the tools that is required at the organization and at the member’s level. As Fairtrade already works with groups that have their own rules in place, the need for an IMS may be lower.  An IMS is already required in organic certification, as well as in other certification schemes. In March 2017 it has been introduced in the Fairtrade Standard for Cocoa, as it was identified as a top priority.  **1.2 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: Would it make sense to require also 1st grade SPOs to have an IMS? Should it be already in year 0, 1, or later?  Click here to enter text.  **Question 2**: What are the key elements that a basic IMS should have and that would be feasible for all SPOs to implement?  Click here to enter text.  **Question 3.** How can we make sure that introducing IMS is not too expensive for producers (especially small ones or those who have limited Fairtrade sales)?  Click here to enter text.  **Question 4**. How can we make sure it an IMS is an effective management tool for producers, and not just a tick box exercise?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Environmental development

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| * 1. **Climate change adaptation**   Climate change is one the main challenges producers face. Although the standard promotes the use of sustainable agricultural practices, the open question is how the standard can be a better tool for producers to increaser their resilience on climate change.  **1.3a Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  Please explain your rationale in case you partially agree or don’t agree  Click here to enter text.  Any additional comments?  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: Would raising awareness through participation in information sessions/training for producers be a good approach to better understand the underlying causes of climate change and its repercussions on the region/community?  Click here to enter text.  **Question 2**: Would the development of risk and opportunity assessments be useful for producers to identify local / regional climate change risks and suitable adaptation options to address them?  Click here to enter text.  **Question 3.** Should the Standard introduce the development of a climate change adaptation plan that could be financed through Fairtrade Premium if producers wish?  Click here to enter text.  **Question 4**. Should the Standard encourage the diversification of agricultural production and/or other sources of income?  Click here to enter text.  **Question 5**. How can we make sure that the costs of climate change adaptation are not only and completely passed on to the weakest actor in the supply chain – the producer?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  Additional box to provide any additional comments/ideas:  Click here to enter text.   * 1. **Water**   Water scarcity and water stress (availability, quality and accessibility) are an increased risk for producers and other actors in the supply chain. Together with climate change, water issues are the top environmental risk factors producers will face. Although the Standard promotes practices that address water related challenges, most of them are development requirements with a 3 or year 6 timeline. It is important to note however that even if the timelines are long the water requirements are challenging for producers to comply with and involve important financial investments.  **1.3b Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  Please explain your rationale in case you partially agree or don’t agree  Click here to enter text.  Any additional comments?  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document  **Question 1.** Should requirements on water use practices be strengthened in the Standard for a more sustainable, equitable and efficient water management?  Click here to enter text.  **Question 2.** Would raising awareness through participation in information sessions/training for producers be a good approach to better understand the underlying causes of water stress and its repercussions on the region/community?  Click here to enter text.  **Question 3.** Should the Fairtrade Premium Use be prioritized for water conservation issues, e.g., reservoir, water-saving irrigation and drainage?  Click here to enter text.  **Question 4.** Would the development of risk and opportunity assessments be useful for producers to identify local / regional water risks and suitable adaptation options to address them?  Click here to enter text.  **Question 5.** Should the actions identified in the risk and opportunities assessment be presented as part of the ideas for the Fairtrade Development plan?  Click here to enter text.  **Question 6.** Which practices to reduce water stress are feasible to implement and which ones are required by the national legislation?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  Additional box to provide any additional comments/ideas:  Click here to enter text.   * 1. **Approach to environmental requirements**   Several environmental requirements focus on training and awareness as a tool for improved environmental practices. For SPOs this approach is sufficient to ensure that better environmental outcomes are achieved.  **1.3c Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document  **Question 1.** Could the development of actions plans be a tool to be used in combination with trainings and awareness raising?  Click here to enter text.  **Question 2.** What other tools could be used?  Click here to enter text.  **Question 3.** Are there any other environmental topics that are important to address in the Standard? If so, which one?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  Additional box to provide any additional comments/ideas:  Click here to enter text. |

## Gender equality and women’s empowerment

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| Export crops such as coffee, cocoa, bananas and sugar constitute the vast majority of Fairtrade products. As with most export crops, these products tend to be male dominated and even though women are frequently heavily involved in the production processes (growing, harvesting and processing), their work is often not fully recognized and rewarded. In the case of smallholder production, women and girls often work as unpaid labourers on family farms and have little control over the income derived from export crop sales. Also, as in some countries women frequently do not own land titles, they may be unable to join producer organizations and access the services they provide. They also tend to have less access to government support, because of persistent biases in favour of male farmers. When women join producer organisations, they rarely occupy leadership positions, and their needs and voice are often not heard.  **1.4 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: How can the Standard promote and strengthen gender equality and women’s empowerment without being too prescriptive while recognizing the specific social and economic contexts?  Click here to enter text.  **Question 2**: How to consider the systemic and everyday barriers that limit the ability of certain groups, especially women, to access and benefit from Fairtrade?  Click here to enter text.  **Question 3.** Would an inventory on gender related issues and specific Gender relevant Key Performance Indicators reflective of the Standards requirements be good tools to promote further gender equality and women’s empowerment?  Click here to enter text.  **Question 4**. Can the Standard (and if so, how) contribute to ensure that the wives of member farmers and single producing female farmers are integrated into the decision- making process at all levels, including on the Fairtrade premium use?  Click here to enter text.  **Question 5**. Can the Standard provide tools, incentives and safeguards to catalyse and facilitate participation - especially of women- in decision making processes and increase women’s interest and capacity to take up leadership positions in SPOs?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Developments in modern slavery legislation

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| The legal environment in consumer countries (UK, France, Switzerland, Netherlands, USA among others) and some producer countries (South Africa and India) regarding addressing child and/or forced labour is changing rapidly. The legislations place a due diligence obligation on certain companies (including their sub-contracting partners) to identify risks for child and forced labour, including slavery and human trafficking in their supply chain and develop and make public their plans to combat them. An increasing number of companies sourcing from Fairtrade will therefore require that their suppliers (producers and other actors in the supply chain) operate according to the newly developing and changing legal frameworks.  Instead of producers becoming targets for campaigners or worse, rejected by companies because of these risks, there is an opportunity to proactively engage in the due diligence and response that the above mentioned frameworks propose from the ground up, where producer organizations become agents of change and accelerators of human rights.  **1.5 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: How far are the PNs in developing and working with SPOs on methodologies to address this topic? What could be included in the Standard as a minimum?  Click here to enter text.  **Question 2:** Please read the paragraph below:  *Youth Inclusive Community Based Monitoring and Remediation systems (YICBMR)* *is a PO led, due diligence system to identify and respond to modern slavery, particularly issues related to forced labour, worst forms of child labour and/or gender based violence. Often, this includes support from expert partner organizations and requires human and financial resources.*  **Question 2**: Should YICBMR be more visible in the Standard as best practice approach in addressing not only child and forced labour, but also to include modern slavery and human trafficking?  Click here to enter text.  **Question 3.** Should YICBMR on child and /or forced labour be included as part of the ideas for the Fairtrade Development plan?  Click here to enter text.  **Question 4**. Should the Trader Standard include as a Voluntary Best Practice for traders to source from producers who have implemented YICBMR as it does refer to traders who sourcing from vulnerable groups?  Click here to enter text.  **Question 5**. Should there be an additional premium for producing commodities with operating YICBMR systems?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Development potential

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| Current Core requirements for Year 0 allow new certification of SPOs at their very early stage of development. These requirements are a balancing act between given market access to disadvantaged producers and ensuring that those organizations who join the system have the potential to benefit from Fairtrade. Without being merely protective of already certified producers and exclusive to high-performing organizations, it is important to reconsider what makes sense in an open system with - as yet -limited market capacity to absorb certified volumes and increasing risk of unfair competition among certified producers.  SPOs at their early stage of development, also require a lot of support from Fairtrade. In terms of marketing, capacity building and/or subsidies to pay for certification fees, while the system has limited resources needed to deliver this support. This may cause also false expectations and frustrations among certified producers who invest to comply with Fairtrade Standards, but do not benefit as expected.  Management capacity, market perspectives, independence on traders/NGOs, loyalty of farmers with their organization and ownership of the Fairtrade certification, scale, integrity and leadership have been highlighted as examples of baseline conditions for organizations to benefit from Fairtrade and generate impact.  **1.6 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  Any additional comments?  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: Do we need to add Year 0 requirements to ensure that only organisations that have a development potential and have prospects to sell under Fairtrade terms get certified?  Click here to enter text.  **Question 2**: If so, which could be objective and verifiable criteria that could clearly identify such organisations? Would for example the number of years that an SPO has been in existence a criterion? Should the Standard include requirements on minimum organizational or/and managerial capacity?  Click here to enter text.  **Question 3.** How can the market perspectives of an SPO be assessed? Would a sample of the product tested by an expert (eg. In coffee) or a letter of intent from the buyer or commitment from a NFO to facilitate market be good indicators of market potential?  Click here to enter text.  **Question 4**. How can the ownership of the organization with the Fairtrade certification be enhanced? Could it be through SPOs engaging with members prior to certification to explain what it entails and requiring general assembly approval?  Click here to enter text.  **Question 5**. Is there a minimum (or maximum) size for an organization to be viable? And if so, should we set a precondition on size?  Click here to enter text.  **Question 6**. How can we filter out undesired SPOs or managers that damage the reputation of Fairtrade? Would for instance a background check be useful? For example, a peer review process/notice period, during which certified organizations, human rights organizations or trade unions may object to the certification of a certain applicant or give a negative recommendation with objective arguments, during the application stage?  Click here to enter text.  **Question 7**. At an assurance level – would rather be the approach to strengthen auditing practices to check existing requirements?  Click here to enter text.  **Question 8**. Instead of (or in addition to ) adding new standard requirements, would it be helpful to reinforce the advice and guidance to producer groups in the pre-certification phase (through self- assessments or Producer Networks / GPM guidance for example), so that new applicants can determine whether applying for Fairtrade certification would be beneficial for them?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Role of traders

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| There is no requirement on the role of traders in the SPO Standard. Although the Trader standard already recognized that traders play an important role in SPO capacity building, the SPO Standard does not provide a clear framework on how SPOs must engage with traders in fairer trade relationships.  There are SPOs that are created by traders. In some cases traders invest resources to get farmers organized, apply for Fairtrade certification and provide market access to the SPOs. On one hand it may help SPOs to start Fairtrade business but on the other it can also cause SPOs to rely on traders support and it poses challenges to the organization to grow as a self-reliance organization. Elected SPO leaders may be bound to follow the trader’s interest as they may fear losing market access and if the situation persists, preventing the empowerment of producers in the long run.  **1.7 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: How can we enable new groups to develop, where desired with trader support, but avoid that some groups are prevented from developing and empowering themselves because of trader dependency?  Click here to enter text.  **Question 2**: Do we need additional requirements in the Standard to avoid trader dependency? Or how can existing requirements be reinforced to avoid trader control/dependency?  Click here to enter text.  **Question 3.** Given the balance needed between trader support and producer empowerment, how can we incentivise trader support or mitigate the risk of the traders not supporting anymore ?  Click here to enter text.  **Question 4**. Should the SPO Standard include a mechanism to prevent conflict of interests between traders and the SPOs? Examples of conflicts are when traders intervene on governance issues, decision making and operations or when traders are part of the governance bodies of SPOs  Click here to enter text.  **Question 5**. In the case when traders provide services to the SPOs, should the SPO Standard include written agreements between SPOs and traders covering how the trader gives commercial and capacity building support to producers?  Click here to enter text.  **Question 6.** Should the Fairtrade Standards include requirements for traders to empower small producers groups, including for example:   * Further engagement of producers in processing stage * Support producers move up the value chain * Share profits with producers.   Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## SPO governance

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| Although the current SPO Standard refers to basic principles of democracy, participation and transparency, the requirements are not necessarily effective and sufficient in ensuring good governance practices, true member ownership, adequate accountability and internal control.  The lack of good governance practices can often be linked to imbalanced power structures within the organization. For example, lack of clarity regarding roles and responsibilities between the board and management can lead to extreme situations of either power concentration or insufficient room for decision making. Alternatively, there are cases of SPOs with board members assuming both strategic and operational management, often without adequate preparation to carry out these tasks.  Striking the right balance between continuity versus renovation of leadership is often a challenge. Opportunities for wide participation in governance, especially for women and younger generations, are frequently a challenge in practice.  Deficient internal communication between leadership and members often leads to weak participation and commitment, which becomes particularly critical in large organizations. Also, when members are represented by delegates, the delegate function is not always given sufficient importance although their role is crucial for ensuring internal information flows.  Finally, accountability requirements do not cover operations other than the Fairtrade premium management and mechanisms such as a supervisory board or surveillance committee are not required by the current Standard.  The price and services conveyed to members can be compromised by high overhead costs (including director fees and expenses allowance). Finally, some practices that weaken organizations and undermine their development potential, such as corruption, power concentration, lack of accountability and member control are difficult to identify during audits.  **1.8 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  Please explain your rationale in case you partially agree or don’t agree  Click here to enter text.  Any additional comments?  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: How can the Standard be strengthened in a way that it facilitates organizational development towards becoming viable, resilient, inclusive and truly democratic organizations?  Click here to enter text.  **Question 2**: What should be included in the Standard and what additional guidance is needed?  Click here to enter text.  **Question 3.** Which basic management skills could be required in the Standard? For example, business planning, financial literacy or marketing?  Click here to enter text.  **Question 4**. Should there be a mandatory supervisory body or surveillance committee to oversee the administration on behalf of the members in order to enhance members’ control over the organization?  Click here to enter text.  **Question 5**. Besides management of Fairtrade Premium, what other operations should be subject to scrutiny by the members?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Fairtrade Development Plan and Premium use

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| The Fairtrade Premium is intended as an instrument for SPOs to drive sustainable social and economic development of their members, their families and the surrounding community. The current SPO standard provide the following guidance: “Planning, implementing and evaluating the plan will stimulate and increase the participation of members in their own organization and community. It is a good practice to plan activities that respond to the needs of your organization, members, workers and communities. Your organization has the right to choose any activities that your members agree on and are important for your particular situation, aspirations and priorities…”  However, conducting a needs analysis only comes into effect as a development criteria until Year 6 of certification. In practice, comprehensive planning and prioritization processes before deciding on the use of the Premium rarely take place.  SPOs have many and diverse needs and, with limited resources, it is hard to decide where to invest first in order to make the best use of the Premium and maximize its impact. A relatively large share of the Premium is currently spent to cover operational costs, certification fees, etc. This may be necessary at the start-up phase of an SPO, but organizations should not rely on Premium income to sustain their operations on the long run.  Therefore it is important to follow a proper planning process, in which the longer term effects of an investment are thought through. This will help organizations to invest more strategically in a way that it contributes to achieving their long-term development goals and pursue sustainable livelihoods for their members.  On the market side, the impact generated by the Premium – which is in turn the most important visible impact of Fairtrade as a whole - remains in many cases below market expectation. Tangible impact is the main driver for commercial partners and civil society to engage with Fairtrade, and the inability to demonstrate impact that lives up to expectations impedes sales growth.  **1.9 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  **Please explain your rationale in case you partially agree or don’t agree**  Click here to enter text.  **Any additional comments?**  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: How can the impact and lasting benefits from Premium investment be optimized?  Click here to enter text.  **Question 2**: Can the Standard play a role to achieve higher impact by providing better guidance and/or requiring an inclusive strategic planning exercise as part of the decision making process on Premium use?  Click here to enter text.  **Question 3.** Should the Standard suggest that achieving organizational sustainability is the key priority to secure the long term viability of SPOs, enabling them to manage their business efficiently on behalf of their members and to resource producer-led initiatives, geared towards increased farm profitability and sustainable livelihoods?  Click here to enter text.  **Question 4**. Can higher impact be achieved by further prescribing/earmarking the use of the Premium, and if so, what should it be earmarked for (i.e. productivity, community, workers)?  Click here to enter text.  **Question 5.** Would the creation of a Premium Committee for premium management help to improve member participation in the development planning and decision making process?  Click here to enter text.  **Question 6.** Which control mechanisms in the Standard can ensure premium projects (especially in the case of large Premium earners) are managed in a transparent, effective and cost-efficient way, or to minimize the risks of mismanagement and corruption?  Click here to enter text.  **Question 7**. Can higher impact be achieved through joint investments by various SPOs?  Click here to enter text.  **Question 8.** Would a mandatory annual Premium reporting be the right tool to have better access to information around premium use and benefits that Fairtrade needs to effectively communicate on impact?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Cost of Sustainable Production and monitoring basic indicators from producers

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| The lack of consistent and regular data on the costs of sustainable production (COSP) of SPOs makes it difficult to assess their economic performance and identify growth opportunities. Currently, cost evaluation is carried out under time and resource constraints, almost on a need-to-know basis. Such restrictions hinder the services that Fairtrade International provides.  The analysis and understanding of the data strengthens producers’ negotiation position, facilitates pricing, and helps better planning. However, the collection of high quality data requires capacity at producer level and ownership of the process by producers.  Moreover, monitoring of basic indicators such as number of producers, volumes of production, sales, trainings delivered to members, and premium use systematically, enables producer organization strengthening and business development as well as the communication of impact to the markets.  On the other hand, adding additional information requests increases the complexity of the standard, is costly and is not directly related with sustainability outcomes.  **1.10 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  Please explain your rationale in case you partially agree or don’t agree  Click here to enter text.  Any additional comments?  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: Should the Standard include requirements covering COSP and additional basic economic indicators, for at least key products (such as banana, cocoa, fresh fruit and coffee)?  Click here to enter text.  **Question 2**: Should the Standard strengthen the current existing requirements (for example, records of members, Fairtrade sales, Fairtrade Development Plan and Fairtrade Premium reporting) and standardize the reporting of data through existing tools, such as CODImpact to address the current data needs?  Click here to enter text.  **Question 3.** What capacities would need the SPOs and PNs to be able to implement these ideas?  Click here to enter text.  **Question 4**. How can the Standard enable the data collection? Would an option be through requiring this data as part of any IMS related requirements?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Fostering continuous improvement

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| **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1.** How can Fairtrade better incentivize producers to continue making improvements and promote best practice and innovation?  Click here to enter text.  **Question 2.** Would it be useful to have different performance levels differentiated and recognized? How could this look like?  Click here to enter text.  **Question 3.** How can best practice be promoted?  Click here to enter text.  **Question 4.** When the guidance in the Standard promotes best practice is this helpful and used by producers to improve performance?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Simplification of the Standard

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| With every review there is an increased demand from stakeholders to add topics and requirements to the Standard. This list of topics for discussion also goes in the direction of adding new requirements. At the same time stakeholders are concerned that the standard is too long, complex and cumbersome.  **1.12 Do you agree with the description of the topic presented above:**  **Strongly agree**  **Partially agree**  **Disagree**  Please explain your rationale in case you partially agree or don’t agree  Click here to enter text.  Any additional comments?  Click here to enter text.  **Questions for discussion**  For each of the questions you are invited to provide your input. You are welcome to include ideas that have not been included in this document.  **Question 1**: Do you have any suggestions to simplify the standard?  Click here to enter text.  **Question 2**: Which topics/requirements in the SPO standard are not necessary?  Click here to enter text.  **Question 3.** Which sections can be reduced/merged or simplified?  Click here to enter text.  **Question 4**. How to organize the Standard in a simple and less complex manner?  Click here to enter text.  From the questions above which questions are more relevant for you/ your organization? Please list the question number(s).  Click here to enter text.  **Additional box to provide any additional comments/ideas:**  Click here to enter text. |

## Ranking the topics

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| In this section you are invited to rank all the 12 topics discussed above according to how important they are to you or your organisation with **#1 being the most important and #12 being the least important.**   |  |  | | --- | --- | | 1. **SPO definition** | Click here to enter text. | | 1. **Management of production practices** | Click here to enter text. | | 1. **Environmental development** | Click here to enter text. | | 1. **Gender equality and women’s empowerment** | Click here to enter text. | | 1. **Developments in modern slavery legislation** | Click here to enter text. | | 1. **Development potential** | Click here to enter text. | | 1. **Role of traders** | Click here to enter text. | | 1. **SPO governance** | Click here to enter text. | | 1. **Fairtrade Development Plan and Premium use** | Click here to enter text. | | 1. **Cost of Sustainable Production and monitoring basic indicators from producers** | Click here to enter text. | | 1. **Fostering continuous improvement** | Click here to enter text. | | 1. **Simplification of the Standard** | Click here to enter text. | |

# Stakeholders’ Comments/ General stakeholder feedback on the review of the Fairtrade Standard for Small Producer Organizations

In this section you are invited to provide additional feedback on any of the requirements in the [Fairtrade Standard for Small Producer Organisations](https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/generic-standards/SPO_EN.pdf) or provide general comments. If you are referring to a particular requirement, please include the requirement number where possible and your comments.

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| **Topic/ requirement number** | **Comments/ feedback** |
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If you need some more information before commenting on this document do not hesitate to contact [standards-pricing@fairtrade.net](mailto:standards-pricing@fairtrade.net)