

**Comments to the consultation on the Fairtrade Standards for Fresh Fruit**

**Price levels**

**Definition of ex works**

**Do you agree with this change of the Ex Works definition?**

<b>Improve definition – e.g. Include packing material</b>	
<b>HL Latin America</b>	<p>The EXW price refers to the product packaged and ready to be dispatched to the final customer. It includes the costs of packaging, processing and freight up to the airport.</p> <p>packaging should be included</p> <p>The packaging costs must be covered by the exporter, however the labels and promotional material must be covered by the buyer.</p>
<b>SPO Latin America</b>	<p>it is assumed that the buyer or marketer assumes transport to the port and / or to the ship</p> <p>At present in the region of Uraba the term EXW is the fruit placed in the packing machine without including the inputs, palletizing, or refrigeration, this change would be against the income of the producers.</p> <p>Knowing how the business moves I think the explanation is necessary and is not too much</p> <p>the two versions should complement each other</p> <p>please note that you cannot ask for transportation to port as many times the exporters demand</p>
<b>SPO/exporter Africa</b>	<p>cost of packing must be included into ex works because without this cost we will not be able to proceed shipping , also packing materials cost is different from product to others for example in grapes is much higher than citrus . I think the definition shall be based on international standard as indicated in incoterms</p>
<b>Importer Europe</b>	<p>EXW is an Incoterms definition and MUST include the packaging. Also, the use of EXW is debatable, because the trade custom is always to use FOB/FCA Port. FLO cannot realistically judge the EW-FOB differentials for so many different places. It only leads to trade parties using the lower of the two. The EXW price is only relevant in a few cases, for very small volumes, whereas it is a lot of additional work for standard setting, with no additional value. EXW can always be calculated back from FOB/FCA port/airport.</p>
<b>Change "door of the organization" by "gate of the packing plant".</b>	
<b>SPO Latin America</b>	<p>It is required to change the word organization by packing plant .)</p> <p>IMPROVE THE wording "AT THE DOOR OF THE ORGANIZATION" as well as the type of vehicle to carry.</p>
<b>Reference to Incoterms confusing as the Fairtrade definition does not correspond to Incoterms</b>	
<b>SPO Latin America</b>	<p>It is recommended to better define the terminology applied to the Incoterms. The term Ex Works as The merchandise must be packaged and labeled, arranged for the means of transport chosen by the buyer. The buyer takes care of all expenses from the moment of delivery, including the load on the vehicle that you have planned. It means that the seller fulfills his delivery obligation when he places the goods, in his own establishment (factory, warehouse, etc.), at the disposal of the buyer. According to the last modifications, it will be possible to establish in the contract the obligation of the seller to load the merchandise in the means of transport used. This obligation must be formally established in the contract. It will</p>

	<p>reimburse the expenses incurred by the seller in assisting in obtaining documents, permits, etc. and make payment of the merchandise as stipulated. As well as the seller must supply the merchandise and the invoice, or an equivalent electronic message, in accordance with the contract of sale and make it available to him at the designated place on the stipulated date, otherwise, at the place and date customary, with sufficient notice to the buyer. It will request the help that the buyer needs to obtain any license, authorization, insurance, etc. He will bear all expenses (marking, packaging, weight, ...), including the risks of loss and damage, until the merchandise has been made available to the buyer. So from that moment on The supplier ends up in this stage his responsibility with the merchandise.</p> <p>The term palletizing should be defined and included since in most fruits when palletizing happens (dodging the product on a wooden pallet), this already includes the carton and labeling. ° According to the definition of incoterms of 2010, the term Ex Works must be understood as The goods must be packed and labeled, arranged for the means of transport chosen by the buyer. The buyer takes care of all expenses from the moment of delivery , even of the load on the vehicle that you intend. This means that the seller fulfills his delivery obligation when he puts the merchandise, in his own establishment (factory, warehouse, etc.), available to the buyer. With the changes proposed, it would be possible to establish in the contract the obligation of the seller to load the goods in the means of transport used, this obligation must be formally established in the contract. The seller would reimburse the buyer his costs that occurred in assisting in obtaining documents, permits, etc. and make payment of the merchandise as stipulated. As well as the seller must supply the merchandise and the invoice, or its equivalent electronic message, in accordance with the contract of sale and make it available to him at the designated place on the stipulated date, otherwise, at the place and date customary, with sufficient notice to the buyer. It will request the help that the buyer needs to obtain any license, authorization, insurance, etc. He will bear all expenses (marking, packaging, weight, ...), including the risks of loss and damage, until the merchandise has been made available to the buyer. As of that moment the seller is NOT RESPONSIBLE OF QUALITY OF THE PRODUCT AND MUST BE released from THE DELIVERY OF THE MERCHANDISE.</p>
<b>Importer Europe</b>	Using incoterm terminology will leads to confusion to all partners business.
	<p>Definition Ex Works does not correspond to Incoterms</p> <p>But please also specify if labelling (FT logo, sticker) is included.</p>
<b>NFO</b>	Traders want FI not to use the "EXW" Incoterm if the definition is not the usual one. EXW + FOB should be based on official INCO terms otherwise use different terminology. Or you may explain own FI definition in a guidance section

## FOB definition

Do you agree with this change of the FOB definition?

<b>Reference to Incoterms confusing as the Fairtrade definition does not correspond to Incoterms – it should be “on board” not “alongside ship”</b>	
<b>SPOs &amp; Exporter Latin America</b>	the producer delivers the goods on board the ship or plane
	The definition of the incoterm cannot be changed, it is free on board, not alongside ship
	<p>Improve the definition</p> <p>The deficiencies continue with the definitions, according to the terminology Incoterms 2010: The seller delivers the merchandise "on board the ship" designated by the buyer at the designated port of loading, and therefore stowed; at</p>

	<p>that moment the risks of loss or damage of the merchandise of the seller to the buyer are transferred. The seller contracts the main transport, through a freight forwarder or a consignee, on behalf of the buyer. The seller also performs the necessary customs formalities for the export. The buyer pays all the costs after the delivery of the merchandise: the freight, the unloading at the port of destination, the customs formalities of importation, as part of the price . You can, if you wish, take out insurance to cover the risk during the transport by boat. THE PAYMENT AND RESPONSIBILITY OF QUALITY IS AT THE TIME OF DELIVERY IN THE PORT.</p> <p>The seller delivers the goods 'on board the ship' designated by the buyer at the designated port of loading, and therefore stowed; at that moment the risks of loss or damage of the merchandise of the seller to the buyer are transferred. The seller contracts the main transport, through a freight forwarder or a consignee, on behalf of the buyer. The seller also performs the necessary customs formalities for the export. The buyer pays all the costs subsequent to the delivery of the merchandise: the freight, the unloading at the port of destination, the customs formalities of importation, as part of the price . You can, if you wish, take out insurance to cover the risk during the transport by boat. THE PAYMENT AND RESPONSIBILITY OF QUALITY IS AT THE TIME OF DELIVERY IN THE PORT. In addition, it should be taken into account in the case of export of organic products the transaction and costs to the government for certifications of each country in the case of pineapple \$ 40 for the certificate of transaction and 3,806 colones for the Ministry of Agriculture.</p>
<b>Importer Europe</b>	FOB = free on board that means already loaded on ship.
	Please conform to the legal Incoterms definitions. FOB alongside the ship is a contradiction. Please consider using FCA Terminal.
	Correct definition should be: ON BOARD the ship or airplane... better use Incoterm official definition more clear to use the official FOB Incoterms definition your definition FOB does not correspond to INCOTERMS
<b>Trader</b>	NO that is FAS, FOB includes the loading
<b>NFO</b>	using the official FOB-Intercom-Definition ON ship, not along
<b>Europe</b>	EXW + FOB should be based on official INCO terms otherwise use different terminology. You may explain the FI definition in a guidance section
<b>SPO Latin America</b>	you must use the incoterm "on ship" along ship terminology Incoterms definitions of FOB should be used. must say ON SHIP and not "along" it needs to use the official FOB-Intercom "ON Ship", not "along ship" or "alongside ship"
	Please include clauses to track the effective payment of the minimum price and the discounts made by the exporter through the return

In addition to the two questions about the EXW and FOB definition, stakeholders were asked to give detailed comments to specific parts of this chapter of the standard.

Below is an overview of all comments, however only the parts of the requirements where comments were given are copied in here. The requirements where stakeholders agreed to the deletion are also left out.

Fresh Fruit Standard for SPO and HL (proposed changes in red)	Comments
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<p>For bananas (Cavendish varieties only), FOB price includes the cost for the following packing material: standard carton box, one plastic per carton box (banovac or polypack), pallet, edge corners, strips, up to 3 labels per banana hand.</p> <p>The costs for these standard packing and palletization materials are covered by the exporter; however the corresponding labour costs are considered in EXW. <del>However, the service related to packing (labour costs) of above defined standard packing material is included in the Ex Works prices and provided by the producer.</del></p> <p>Neither EXW nor FOB price include costs for additional or special packing materials such as “clusterbags” or “parafilm” and related service.</p> <p><del>Costs for those packing materials and any associated labour must be paid on top of the Fairtrade Minimum Prices to producers at ExWorks or FOB level and be defined in the contract.</del></p>	<p><b>SPOs &amp; Exporter Latin America</b>  There could be additional labor that would be before the ex works. (4)  It is recommended to change the term "racimo" for Cluster or banana gajao. Also do not eliminate the paragraph of the costs of special packing materials. The following text is proposed: Prices for both Ex Works and FOB do not include additional costs for special boxes (clusterbag, parafilm, etc.), nor for packaging material nor for labor, this must be paid above the Minimum Prices of Fairtrade at Ex Works level or FOB level and must be defined in the contract. (3)</p> <p>we agree, but it is also necessary to review and correct those promotions that markets make using special bags and stickers and other costs</p> <p>This should remain for ease of reference.</p> <p><b>SPO/Exporter Africa</b>  It is better to write all price definitions in the product standard as this standard is applied to all supply chains as well as standard the definition to be on definition in all standards based on international standard.</p> <p><b>Germany</b>  EXW definition already includes standard packaging material, therefore EXW is applicable for bananas at that point.  Is it the Inco term definition of EXW or own definition?</p> <p><b>Workshop South Africa</b>  Trader: We can agree to point 1 because it's not really applicable to us. No packaging is included if we sell in bulk. When we sell in ExWorks everything is included. Most people sell FOB – AGREE. Notes: The normal standard for exports in South Africa is the use of FOB and not EXW.</p>
<p><b>For pineapple</b></p> <p><del>The Ex Works level for pineapple means “at the exit of the pack house”. In other words, the pineapples are stored, cleaned, packed and refrigerated. They are in pallets, ready to be lifted in the container and to go to the harbour to be exported.</del></p> <p><del>The FOB level includes the lifting to the container, the transport to the harbour, customs' costs, export administrative costs, unloading at the port and margin to the exporter. In short, the FOB price is when the container is along ship and ready to be lifted in the ship.</del></p>	<p><b>SPO Latin America</b>  Revise definitions, and actually conform to the current WTO regulations, that are also considerations made by Fairtrade International.</p>

<p>For oranges for juice  The Fairtrade Minimum Price for oranges for juice, as defined in the pricing database, refers to 'oranges for juice delivered at the premises of the processor'. The producer must receive a price for the equivalent quantity of juice that his oranges produce (FCOJ or NFC, depending on what is sold to the importer) according to the yield in the preliminary analysis report. The processor/exporter buying oranges for juice from a producer must pay the defined percentage of the Fairtrade Minimum Price, or the market price, of orange juice (whichever is higher), to the producer. The percentage defined varies according to the type of processor/export set-up and to the product variety (conventional / organic), as defined in the pricing database.</p>	<p><b>SPO Latin America</b>  By the time this rule is in force, it is possible to affirm by our organization that the minimum Fairtrade price can be reduced for 2 types of processor, that is, those that have bulk system and those that do not have . In this case we suggest a new and quick consultation to set new percentages for these 2 types of processors, system operators bulk and all others.</p> <p><b>SPO/Exporter Africa</b>  Agree but the pricing for oranges for juice is not clear and very difficult to understand. There is no clear definition to type of processor /export set up.</p> <p><b>Fairtrade staff</b>  I do not agree: Losses in the processing are not considered. The producer organization does not receive the premium amount based on the volume of fresh fruits they sold, but based on the volume of the processed output.  In my understanding the loss rate should NOT be carried by the producer organization, but by the company under which responsibility losses occur. This approach is supported by Annex I of the trader standards, that states (...) in general the first buyer is the Fairtrade price and premium payer, which, logically implies that the producer organization should receive premium of the full amount of the volumes they sell (and not the calculated amount based on the processed output). I furthermore suggest that for all processed fruits, the exporter is not allowed to convey responsibility of premium payment to the importer.</p> <p><b>Trader</b>  The percentage defined varies according to the type of processor/export set-up and to the product variety (conventional / organic), as defined in the pricing database. " This shouldn't cause FOB Juice Prices below the Fairtrade FOC Juice Price Fairtrade.</p>
<p><del>The Fairtrade Premium defined for orange juice at FOB level applies as the Fairtrade Premium for producer organizations selling oranges for juice. The Fairtrade Premium must be paid for orange juice at FOB level to producer organizations based on the total amount of orange juice sold by the processor/exporter.</del></p>	<p><b>Trader Europe</b>  should be kept</p> <p><b>Workshop South Africa</b>  Agreed though no FT certified oranges from the 9 participating organizations</p>

<p>There are no Fairtrade Minimum Prices defined for secondary products and their derivatives. Sellers of the product and its next buyers must negotiate prices for secondary products and their derivatives. A default Fairtrade Premium of 15% of the negotiated price must be paid in addition.</p> <p>Fairtrade International reserves the right to set a Fairtrade Minimum Prices for secondary products and its derivatives in the future.</p>	<p><b>SPOs &amp; Exporter Latin America</b></p> <p>It is not ruled out that in the future there may be a secondary product of banana by these organizations.</p> <p>It is advisable to analyze this in this revision since there may be a certain moment of having derived by-products</p> <p>It is suggested to improve the treatment of the definitions or in this case translations of the document in English, some terms can generate confusion.</p> <p>In order to establish prices of secondary products, it is advisable to take into account the costs of industrialization of each Organization separately, and to determine if it is possible to establish a standard price or leave it at the discretion of each SPO</p> <p>What do you mean ??? What are by-products or derivatives ???</p>
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## Timely payments

### Ex Work payment terms

<b>Payment terms should be longer</b>	
<b>HL Latin America</b>	The customer will not accept this condition because the transit time can reach 25, payment should be 30 days. So in case you have any quality problem the customer can discount the amount in payment.
<b>SPO/Exporter Africa</b>	payment for premium and price must be made no later than 30 days after delivery
<b>Importer Europe</b>	As our own customer pay normally at 30 days after invoicing for the best one (when it is not 60 or 90 days for some retailers), getting 15 days is not enough and involve difficulties in term of cash flow for the traders.
	Some fruits might be sold only after 15 days time, e.g. citrus, so a timeframe for the FMP or market price should be 45 days
	Suggest to raise to "30 days
<b>Payment terms should be shorter</b>	
<b>SPO/Exporter Latin America</b>	The international definition of Exwork is forceful. the product is delivered in the premises of the seller to be charged by the buyer so once accepted this must be paid at the point of origin, we do not see why the payment should happen after or while the product is in transit
	The definition of Exwork is clear. The product is delivered at the seller's premises to be charged by the buyer so once accepted the burden this must be paid at the point of delivery.
<b>Importer USA</b>	What is the reason for this extension in the payment timeline? I believe producers should be paid for the fruit as quickly as possible. We make our payments prior to the arrival of the fruit in the port of destination.
<b>In agreement</b>	
<b>Processor Africa</b>	Most of times, selling fruits is not paid as it should by traders so the increasing of 15 days would be helpful.

<b>SPO/Exporter Latin America</b>	It is an appropriate time, the sale is made and the fruit does not belong to the producer
<b>Other comments</b>	
<b>SPO &amp; Exporter Latin America</b>	Should be 15 days after delivery of invoice
	It is desirable to remove what it says (unless national legislation requires lower payment terms).
	The Ecuadorian national legislation foresees to pay within the week of delivery the fruit at EXW level.
	It should be clarified that the maximum average should be 15 days after delivery and specify if they are calendar days or work days that count for the 15 days
<b>SPO/Exporter Africa</b>	add: 15 days or according to contracted conditions
<b>HL Latin America</b>	It should be complemented that it would be "IN AVERAGE at most 15 days after delivery" 2. Must specify if it is a calendar day or a working day. Usually for PAYMENTS of products and by custom and accounting practice in our country, they are always considered working DAYS. So does the bank as well.
<b>Exporter Latin America</b>	The terms should read: "payment must be made ON AVERAGE Not later than 15 days after delivery. This is in order to accumulate invoices and effect on bank transfer/bank commissions and costs, so bank charges are less. Also needs to specify if the 15 days is referred to working days or calendar days. Also important, to specify that the 15 days payment of the FT PRICE (FMP or Market Price) is after DELIVERY OF THE GOODS, "Delivery" referred to FOB in Port or ExWorks in packing station or Container consolidation station. Also important is to clarify that referring the FT PREMIUM payment, the DELIVERY is referred to the arrival of funds at bank account of the payer or conveyor. This means that, according to the FLO specific Criteria, FT PREMIUM is due for payment 15 days after the completed month.
<b>Importer Europe</b>	we are unfavourably disposed towards EXW pricing
	Clarify if Calendar or Working days. / include "on average" not later than 15 days
	please specify if working or calendar days
<b>Fairtrade staff</b>	but please specify if working or calendar days and that "ON AVERAGE 15 days after delivery" is possible to allow more flexibility in payment and reduce bank transaction costs On Average 15 days (gives some flexibility to save transaction costs)

## FOB payment terms

<b>Payment terms should be longer</b>	
<b>HL Latin America</b>	The customer will not accept this condition because the transit time can reach 25, payment should be 30 days. So in case you have any quality problem the customer can discount the amount in payment.
<b>SPO/Exporter Africa</b>	it must be changed to 30 days to allow to transfer a lot of shipments and save transfer costs and avoid NCs during timely payment
<b>Trader Europe</b>	As our own customer pay normally at 30 days after invoicing for the best one (when it is not 60 or 90 days for some retailers), getting 15 days is not enough and involve difficulties in term of cash flow for the traders.
	Should be 30 days
	Some fruits might be sold only after 15 days time, e.g. citrus, so a timeframe for the FMP or market price should be 45
	It depends on the agreement with the supplier. In our case we decide afterwards what volume is sold as Fairtrade. In that case payments might be later than 15 days.
	30 days to enable consolidation of transactions and reduce international transaction costs specify working or calendar days

<b>Fairtrade staff</b>	According to industry norms, 30 days after arrival is paid earliest. So increase to 30 days, not only 15 days. Furthermore ON AVERAGE no later than 30 days after delivery
<b>Payment terms should be shorter</b>	
<b>SPO Latin America</b>	Do not modify the current conditions of payment, since increasing the term is detrimental to the producer.
	Currently we are ex works but if conditions change to FOB, the conditions of Ex Works are maintained.
	In the national legislation in any category it must be paid within the week that the producer delivers the fruit, realize that the fruit arrives between 21 and 24 days to Europe plus 15 days after the fruit arrives to the market, it means that the fruit is paid after a month and a week, if an organization exports 20 containers until it normalizes the shipments will have like 100 containers traveling therefore would need a million dollars as working capital to comply with the producers ..... What organization has this financial capacity .... ?????? should be sought the form of partial payments with the sending of the fruit can be 80% to the delivery of fruit and 20% as a guarantee to pay after 15 days of arrival of the fruit.
<b>SPO/Exporter Latin America</b>	Many organizations need to work with funds so it should be 15 days after shipping and not after the arrival of the fruit at the destination.
	The FOB sale is established once the ship is loaded, so the payment should be done once the BL and the documentation is delivered to the buyer.
	It must be 15 days after the ship has left the port, since at that moment the cargo stops being property of the producer and is property of the transmitter.
<b>Importer Europe</b>	Keep it as it is, and allow different schemes in mutual agreement. We do not see the advantage of 15 days over 7 days, in a time when the interest rates are low
<b>Importer USA</b>	What is the reason for this extension in the payment timeline? I believe producers should be paid for the fruit as quickly as possible. We make our payments prior to the arrival of the fruit in the port of destination.
<b>In agreement</b>	
<b>Processor Africa &amp; ME</b>	Most of times, selling fruits is not paid as it should for traders so the increasing of 15 days would be helpful.
<b>Other comments</b>	
<b>Processor Africa</b>	add: 15 days or according to contracted conditions
<b>SPO Latin America</b>	IN AVERAGE not LATER than 15 DAYS
<b>HL Latin America</b>	Add that it should be "IN AVERAGE 15 days at the latest after arrival of fruit.
<b>Processor Latin America</b>	same addition to be noted as "payment ON AVERAGE not later than 15 days after delivery"

#### Requirement on payment flexibility

<b>In agreement</b>	
<b>Fairtrade staff</b>	Very important which will reduce transaction costs, so more money remains for producers
<b>In disagreement</b>	
<b>HL Latin America</b>	The ideal is to be paid within 15 days as the value of the currency has fluctuated a lot. It greatly avoids the loss due to exchange rate.
	No, Due to the currency fluctuation between the departure day and payment

<b>Germany</b>	It might be difficult for producers to have later payment, as there are many upfront costs, especially for seasonal fruits. It could also put producers under pressure to accept this, although it causes problems for them
<b>Importer Europe</b>	It depends on the agreement with the supplier. In our case we decide afterwards what volume is sold as Fairtrade. In that case payments might be later than 15 days.
<b>Importer USA</b>	We make our payments prior to the arrival of the fruit in the port of destination.
<b>Trader</b>	This affects cash flow and needs to depend on how farm pays workers, material etc (weekly or monthly). Transaction costs are one thing, living weekly is another
<b>Fairtrade staff</b>	Either allow directly for monthly payment under 9) or leave it. If you want to give flexibility, than give it directly and skip the producer agreement. Especially if the argument is savings of transaction costs.
<b>Other comments</b>	
<b>SPO Latin America</b>	Establish in the requirement that payment of the fruit can be made as a percentage of the FOB when delivering and 20% as guarantee to pay after arrival of the fruit
<b>Processor Africa</b>	add: or according to contracted conditions
<b>Importer Europe</b>	We agree that the payment of price should be made no later than 15 days after arrival of the fruits but we feel that for the payment of the premium it should be included more flexibility. In our case we make the payment of price to the exporter and the payment of the Fairtrade premium to the producer. Therefore we couldn't make payments in one sum. In this scenario, could be possible to transfer the premium to avoid transaction cost as described above?

In addition to the specific questions, stakeholders were also asked for comments regarding the remaining requirements of this part of the standard, please refer to the annex for detailed comments.

<b>Fresh Fruit Standard for SPO and HL (proposed changes in red)</b>	<b>Comments</b>
<del>If the Fairtrade Premium is transferred to the exporter, s/he must pass on the Fairtrade Premium to producers no later than 7 days after the money has been received.</del>	<p><b>SPO Latin America</b> This requirement should apply for all as it is in the standard.</p> <p>We do not agree as this goes against the producers and the exporter and the conditions of the premium continue as they were (clause 1.2.2)</p> <p>Once the conveyor receives the payment of the premium, he must pay the producer, since producers need it to continue with the production tasks</p> <p>It is a key requirement that needs to be well reviewed during audits ... should be key aspects to be demanded in financial audits that organizations should be required</p> <p>SPO cash flow will be restricted.</p> <p><b>SPO/Exp Africa</b> 15 days is still very short time and practically it needs to be at least one month to save transfer cost to keep importer or conveyor in compliance with Fairtrade payment standard.</p>

<p>Payment for oranges for juice</p> <p>The processor/exporter must pay at least the Fairtrade Minimum Price to the producer no later than 30 days upon receipt of goods. <del>The processor/exporter must convey the Premium and price differential (additional payment in case there is a difference between Fairtrade Minimum Price and realized FOB orange juice price) to the producer no later than 15 days after receipt of payment from the Fairtrade payer. A different timeframe can be agreed in writing between the processor/exporter and the producer but payment must be made no later than 30 days following the end of each quarter.</del></p>	<p><b>SPO Latin America:</b> Agree</p> <p><b>SPO/Exp Africa</b> I don't agree with this deletion as the product standard will be applied to producers as well but trader standard is applied to traders excluding producers.</p>
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### Payment terms for wine grapes

Longer payment terms	
<b>SPO Africa</b>	The general average payment terms in the wine industry is 90 days.
<b>Processor Africa</b>	Please align with general wine industry accepted and used payment terms of 90 days after delivery.
<b>HL Africa</b>	Would like to recommend 90 days
Shorter payment terms in line with other fruits	
<b>HL Latin America</b>	Payment must be done within 15 days
<b>Exporter Latin America</b>	reduce to 15 days in line with other fresh fruits
<b>Trader Europe</b>	reduce to 15 days in line with other fresh fruits
	Why are there other regulations for wine that are not the same for fresh fruits? All should be the same reduce to 15 days as all other fresh fruit
<b>Fairtrade staff</b>	No special treatment. Reduce to 15 days in line with all other fresh fruits bought on Exworks-level. inconsistent, bring in line with all other fresh fruits: 15 days
In agreement	
<b>Retailer Africa &amp; ME</b>	This is better with 60 days, but for the same reason, increasing would be helpful for traders.

### Revision of pre-finance rules

#### Fresh fruits from SPOs

Should the pre-finance requirements in the trader standard apply to Fairtrade sales of fresh fruits from SPOs (except for wine grapes,)? (82 answers)

Comments "Yes for all fruits":

<b>Exporter Latin America</b>	If there is solidity in the negotiation and support for the trader I think he could pre-finance the production safely
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	<p>It gives greater opportunity to organizations of small producers to be competitive</p> <p>As in the example that you put in the explanation, I think that is more important in the crops that do not have money often, which are an annual harvest.</p> <p>Organized traders need financing</p>
<b>HL Latin America</b>	<p>It should be an option for the grower / producer.</p> <p>There is not always money available to buy the product</p>
<b>SPO Latin America</b>	<p>For natural disasters and accidents</p> <p>Totally agree with pre-financing for bananas, since it is a very rigorous crop and demands a lot of investment.</p> <p>Yes, for all fruits of Small Producer Organizations even if we do not use it, because at some point someone can use this requirement. It could also be useful for SPOs that are just starting</p> <p>all fruit that needs hired labor for its harvest must be prefinanced</p>
<b>SPO &amp; Exporter Latin America</b>	<p>according to the producer's need</p>
<b>Trader Africa</b>	<p>It makes it equal to all producers of fresh fruit</p>
<b>NFO</b>	<p>Ideally the pre-finance should always be offered but partners/traders seem quite reluctant considering it too risky for them.</p>
<b>Trader Europe</b>	<p>This is very common in fruit business to pay a prepayment.</p> <p>I think it's best to simplify the requirements and to choose to apply pre-finance to all the fruits or to none. In this way you evade exceptions in fruit varieties.</p>
<b>Trader USA</b>	<p>Pre financing is a very important piece of FT for coffee. I believe this benefit should be extended to fruit as well. Agriculture is a risky business and pre financing is a safeguard for FT farmers.</p>

#### Comments “Yes, but only for some fruits

<b>HL Latin America</b>	<p>Gives more guarantees to the small producer</p>
<b>SPO Latin America</b>	<p>It can be at the beginning of the business relationship until the weekly payments of the fruit by the buyers to the organizations</p>
<b>Trader Europe</b>	<p>The preparation for the fruits is very cumbersome and costly. Harvesting and all activities around it, require pre-finance</p>

#### Comments “No, pre-finance should not be required for fresh fruits from SPOs”

<b>SPO Latin America</b>	<p>Often, small cooperatives do not have the capacity to raise funds and / or have different arrangements with their members that allow them other more flexible forms of payment, because they are both part of the same structure, different from the organization x buyer relationship, that has a high ability to capture resources.(4)</p>
<b>SPO and Exporter Africa</b>	<p>pre finance depends on the agreements between the trader and contracted SPO based on need and mutual agreement.(2)</p>
<b>Trader Europe</b>	<p>As prefinance is a risk for the one who is making it, I would suggest to not enter this requirement in Fair Trade Standard and leave it as a discussion between grower and buyer.</p> <p>Pre-finance is given upon request by the exporter/producer.</p> <p>It is a general trade custom, but it may not be made obligatory, because it is always a high-risk investment. This cannot be put as a requirement or right of an SPO, but can be done voluntarily.</p>

	<p>Fresh Fruit generally has a weekly regular shipment and cash flow.</p> <p>it should be done as a loan - fruit is planted and field lasts 5 - 30 years and a weekly crop so always something to pay against debt</p>
<b>Asia Trader</b>	<p>The pre-finance term is going to affect the factory's production plan and cash flow. Also, there is a high risk that the SPO cannot provide the quantity product as the pre-finance amount or provide low quality product just to reach the pre-finance amount</p>

## Fresh fruits from HL

**Should the pre-finance requirements in the trader standard apply to Fairtrade sales of fresh fruits from HL (except for wine grapes)?** (79 responses)

### Comments “Yes, for all fresh fruits from HL”

<b>Exporter Latin America</b>	<p>This standard brings flexibility in the contracts, expanding the negotiations and reach of the goods. The issue of pre-financing for some companies may be good practice where this is not mandatory.</p> <p>If there is solidity in the negotiation and support for the trader I think he could pre-finance the production safely</p> <p>Organized traders need financing</p>
<b>HL Latin America</b>	<p>It should be an option for the grower / producer</p> <p>It should be required if the organization considers it necessary</p>
<b>SPO Latin America</b>	<p>For the timely payment to employees</p> <p>Bananas demand many activities in a certain period that need to be financed.</p>
<b>HL Africa</b>	Inclusivity is important with fruits as well
<b>Trader Africa</b>	It makes it equal to all producers of fresh fruit
<b>Trader USA</b>	Pre financing is a very important piece of FT for coffee. I believe this benefit should be extended to fruit as well. Agriculture is a risky business and pre financing is a safeguard for FT farmers. For HL, I'm not sure how the funds from pre financing would be beneficial for the hired labor?

### Comments “Yes, but only for some fruits

<b>Exporter Latin America</b>	As in the example that you put in the explanation, I think that is more important in the crops that do not have money often, which are an annual harvest.
<b>SPO Latin America</b>	The need for working capital to fulfill the rights of workers, makes the prefinancing necessary at the beginning of the business relationship.
<b>Trader Europe</b>	The burdens the HL has are almost equal to those that the SPOs have. It is just the dimensions that are different.

### Comments “No, pre-finance should not be required for fresh fruits from HL”

<b>SPO Latin America</b>	HL are usually large companies that do not need pre-financing.(5)
<b>HL Latin America</b>	<p>There is regular cash flow</p> <p>No pre-financing is required. 0% prefinancing.</p>
<b>Exporter Latin America</b>	The hired labor is used according to the periods of the crop and intensifies in high seasons of harvest

<b>SPO &amp; Exporter Africa</b>	it should be the same as need to prefinance by hired labour is very limited and this can be based on mutual agreement
<b>Trader Europe</b>	<p>Pre-finance is given upon request by the exporter/producer.</p> <p>It is a general trade custom, but it may not be made obligatory, because it is always a high-risk investment. This cannot be put as a requirement or right of an SPO, but can be done voluntarily.</p> <p>Fresh Fruit generally has a weekly regular shipment and cash flow.</p> <p>it should be done as a loan - fruit is planted and field lasts 5 - 30 years and a weekly crop so always something to pay against debt</p>

### Amount of pre-finance

<b>60%</b>	
<b>SPO &amp; Exporter Latin America</b>	60% is the right amount to be able to supply the need for production
<b>SPO Latin America</b>	<p>I understand the 60% pre-financing of the contracted value is enough to improve productivity, infrastructure of agricultural land and other need of cultivation</p> <p>is an amount that covers all fixed expenses, therefore the SPO is not limited in its operations, nor does it have to request credits from external financial entities</p>
<b>HL Latin America</b>	Less debts for the producer
<b>Trader Africa</b>	this will make the risk of the producer lower, and the buyer will not cancel for no reason due to the fact that they have already paid a high percentage of the contract
<b>Trader Europe</b>	must be taken into consideration in the calculation of the payment terms
<b>40%</b>	
<b>SPO Africa</b>	Risk mitigation
<b>Exporter Latin America</b>	A pre-financing is required only until the crop enters the productive stage where the flow of money begins
<b>SPO Latin America</b>	Yes, 40% pre-financing is very useful for SPOs, and also because these practices in other products have been working very well
<b>HL Latin America</b>	Up to a maximum of 45% of pre-financing should be offered to minimize the risk of dealing with the amortization of facilities and a greater commitment to achieve goals and increase productivity
<b>Trader Europe</b>	<p>Of course it depends on different reasons (risk, trust in suppliers, and so on). Most common is 40%</p> <p>Risks</p>
<b>Trader USA</b>	I lowered the percentage given the perishability of fresh fruit, which adds another risk.
<b>Less than 40%</b>	
<b>Trader Africa</b>	30% as the clients even certified, most of the times do not pay at all a pre-finance.
<b>NFO</b>	If even the concept of prefinance seems quite risky for traders, the acceptance of 40% might already be very complex!
<b>Other amount</b>	
<b>Exporter Latin America</b>	It should be discussed individually with the supplier to establish the best percentage.
<b>HL Latin America</b>	It depends of the type of product.
<b>SPO Latin America</b>	<p>It is recommended that it is an agreement between the parties</p> <p>Pre-payment would not be pre-financing and 20% as a guarantee to be paid after 15 days after the arrival of the fruit. (suggested 80% as pre-finance amount)</p>

<b>Exporter Africa</b>	based on the agreement between both parties to achieve benefits to both parties
<b>Trader Asia</b>	The pre-finance term is going to affect the factory's production plan and cash flow and this cannot confirm that it can help the SPO to provide more product.
<b>Trader Europe</b>	<p>Currently the supplier asks for pre-finance for one year in advance. The risk is getting higher with the long time period of pre-finance.</p> <p>individual Agreement with exporter depends on incoterms CIF less, because part of costs have already been paid, FOB, EXW more as there is more space for additional costs before selling.</p> <p>In our small experience, conditions negotiated with the producer that was the average of pre-finance terms</p>
<b>Other</b>	
<b>Trader Europe</b>	<p>not applicable for us as we are NOT first buyer</p> <p>a value that both parties are happy to take a risk on Depends on value of project - USD3m for expansion of 100 hectares - with supply agreements with a trading history of 20 years together and full trust you would consider. USD3m to a person you just met you would not consider</p>
<b>0%</b>	
<b>Trader Europe</b>	Fresh fruit is very high risk, and significantly different from SPO crops like coffee and cocoa. In bananas, prompt payment on FOB shipping is generally sufficient for SPOs
<b>Trader USA</b>	We normally pay 90% after receiving necessary documents.
<b>NFO</b>	Regular flow of money in fresh fruit business.

### Timing of pre-finance

<b>No specific timeframe, pre-finance should be provided according to the specific requirements of each situation and based on mutual agreement</b>		
<b>SPO &amp; Exporter Africa</b>	Based on the agreement between both parties as the period is different due to difference in production and time of cultivation and harvest. If both parties agree in pre-finance at any time for fresh fruit even before cultivation, this can be applied and included in the contract. (2)	
<b>SPO Latin America</b>	Pre financing should be linked to production schedule.	
<b>HL Latin America</b>	It depends of the type of product. The period from the project to grow until starts the harvest	For example some fruit / roots / vegetables take more time and more cost than others.
<b>HL Latin America</b>	The prefinancing depends on the item and should consider the seasonality of the product, and become effective at the beginning of the sowing process of the corresponding item.	
<b>Trader Latin America</b>	When necessary	In the case of papaya there is no harvest but direct production of the product. You should discuss it with the supplier individually to find out when.
<b>Exporter Latin America</b>	Is different for each product	because the productive cycles are different depending on the species
<b>Trader Africa</b>	No specific time / will let that for your consideration.	As a trader, you have to always take into consideration the delay that the buyer/client takes to pay.
<b>Trader Europe</b>	As agreed between both parties so debt burden is not too great but repaid in a sustainable way	

<b>Trader Europe</b>	in mutual agreement	
<b>Trader Europe</b>	Only require the 6 weeks period when you know in advance what amount of Fairtrade products you will receive.	In our business it's common that we decide afterwards how much we sold as Fairtrade certified.

Other comments	
<b>HL Latin America</b>	To me, six weeks before the shipment seem reasonable as it is not a risky time for any of the parties involved. You can also estimate the production to be pre-financed.
<b>Trader USA</b>	I think this depends on the product. For bananas which are year round there needs to be a different model set up.  We normally pay 90% after receiving necessary documents.
<b>Trader Asia</b>	The pre-finance cannot be provided at least 6 weeks before shipment due to our term of payment, our customer will pay the full amount after shipment and sometimes the shipment period is inconstant.
<b>Fairtrade staff</b>	Please distinguish prefinancing and advance payment. I feel that above this is mixed.
	No pre-finance (6)

### Pre-finance for wine grapes from HL

Yes, it should be required.	
Trader Europe	Wine grapes are usually purchased by anticipated programs
Trader Africa & ME	But decrease the pre-finance.
No, it should not be required	
HL Latin America	There is a regular cash flow
Trader Europe	It is a general trade custom, but it may not be made obligatory, because it is always a high-risk investment. This cannot be put as a requirement or right of an organization, but can be done voluntarily.
Trader Africa	Producers are paid on a monthly basis.
Other comments	
Fairtrade staff	Please simplify, if you require prefinance than do it for both setups (SPO and HL)
Workshop Africa	We have been in the wine industry for 10 years now and we have never had any of our producers asking for pre-financing. Most of the producers are big farms (>50ha) that easily manage their cash flows without need for pre-financing. Table Grape Farms are small – between 20 – 40 hectares.

Some changes were also proposed to the existing requirement on pre-finance for wine grapes to align with the requirement in the Trader Standard and clarify the timeline.

Fresh Fruit Standard for SPO and HL	Comments
For wine grapes <del>On request from the producer, the Fairtrade payer must make up to 60% of the value of the contract available as pre-finance to the producer at least six weeks prior to shipment at any time after signing the contract. The pre-finance must be made available at least six weeks prior to shipment</del>	SPOs Latin America In agreement (3)  Trader Africa & ME 60% is too much for the same reasons stated previously.  Trader Africa Pre-financing was always offered by us (the Fairtrade payer) in the past.  Pre-finance should not be required for wine grapes

## Sourcing plans

### For fresh fruit for exporting

HL Latin America	<p>By establishing a minimum purchase volume, it exposes the exporter to market conditions that may not be advantageous to the business relationship of both. For example if the market has a lot of supply, the exporter / importer will have to sell the product below the purchase price causing a loss.</p> <p>I think it should be explicit that the supply plan for seasonal fruits should have a level of temporal detail that is consistent with the dynamics of the harvest; in the case of blueberries and cherries, it should be weekly.</p>
SPO Latin America	<p>Yes. In this way the transmitter is aware of the percentage of product that the SPO can supply to you, and look for the missing in another organization</p>
Trader Africa	<p>Difficult for some crops as there are no fixed orders</p> <p>Values are indicated in the sourcing plan.</p> <p>All wine grapes that are produced are bought. There is already a sourcing plan in place. We buy from the same producers every year. So it is just renewing the sourcing plan which is season based.</p> <p>There are volumes forecast every season which acts as a guide on how much to expect. Updating the forecast happens throughout the year. Forecasts are reviewed and actuals communicated. +-4 months in advance they already know more or less what volumes to expect.</p> <p>When we harvest we don't know how much Fairtrade grapes will be sold.</p>
Trader Europe	<p>Customers of fresh fruits for exporting meet often difficulties to plan their purchasing so the same for traders in their contracts.</p> <p>Sourcing plans do not play any operational role for SPOs or for traders. We just make them to please FLO. The min max volumes are stated in the contract and there is weekly communication. Conversely, could we also require quarterly, legally-binding supply plans from producers so that we can count on what we can expect to sell, which is often problematic? Fairtrade must be a professional business, not a trap or place for survival of unprofessional suppliers in the long term.</p> <p>Apply the chicken and the egg concept. If you do not have a market, and just starting to establish this, you can not commit to a minimum volume. FLO should on the other hand ENCOURAGE minimum purchases and partnership growth to establish markets.</p> <p>At least once per year.</p> <p>Contracts with retail can be lost at a quarters notice. No commitment can be longer than 1 quarter, shipping would also have to be considered, plus no downside for grower not providing minimum volumes if market conditions improve above contract price leaving importer without fruit despite contract and shipping - cannot have it all one way.</p>

### Fresh fruit for processing

HL Africa	<p>It's a bit more difficult to gauge a commitment with processed goods from fresh fruit</p>
Trader Europe	<p>Speaking from experience, contracts can only be signed if there is a market. If there is no market, or working on it, no processor or buyer should be subjected to forceful contract signings. There are a lot of efforts by buyers put to ensure that the farmers get their products on the market and I think this should be encouraged more than issuing forceful regulations that are only favourable to one party. The farmers in my opinion should stop being spoon fed and taught, encouraged and empowered to be entrepreneurs.</p>
SPO Latin America	<p>Because of many limitations in the area, due to competition, climatic damages for production and some other factors that do not allow us to reach the estimate.</p>

## Time to renew sourcing plans

HL Latin America	<p>Papayas are fruits that are harvested weekly, have no campaign start ..... it's every week.</p> <p>The plan for the starting season should be given at the beginning of the season; in the case of blueberries and cherries of Chile this happens on July 1.</p> <p>I believe it should be done between the producer/ importer/ Fairtrade</p>
SPO Latin America	Yes, Renew 2 weeks before expiration and be confirmed week by week.
Trader Europe	<p>For bananas, the contract is renewed about 2 months before the end, so 2 weeks is too short for the grower to plan his purchases in cartons, plastics etc.</p> <p>We see no added value for one-sided sourcing plans. Volume indications can be included in the contract. We expect also much more reliable availability information from producers.</p>
Stakeholder Europe	2 weeks are not enough. Contracts and sourcing plan should be discussed together.
Trader USA	I believe it should be more than 2 weeks

## Time period for validity of sourcing plans

HL and SPO Latin America	Annually (every 12 months) (2)
(Trader Africa)	6 months
. (Trader Europe)	3 months before the season starts
SPO Latin America, Trader Asia, Latin America and USA	1 month/4 weeks (4)
SPO Latin America	In pineapple the approximate estimate is made 2 weeks prior to harvest, therefore it is the right time to present a plan of supply to the conveyor and to confirm the sale of the fruit.
HL Latin America	<p>The plan for the starting season should be given at the beginning of the season; in the case of blueberries and cherries of Chile this happens on July 1.</p> <p>It depends on type of product</p>
Trader Europe	Depends on shipping requirement - book shipping and fruit and same time

## Comments Contracts

SPO Exporter Latin America	The contract is often manipulated by the buyer since the Trade standard says that it is the buyer who must suggest to the producer the contract and many times the buyer does not accept changes in the conditions or improvements; there is no regulation of the Fairtrade system for the formats of the contract so it should not be exposed to the producer who often does not have sufficient advice to define a contract of purchase. It must be implemented with a model or system of verification and monitoring of compliance of the contracts for both producers and buyers.
SPO Latin America	<p>The sources of where the fruit comes from should be clarified for traceability issues and avoid the endorsement of fruit from non-members or the purchase of large plantations</p> <p>Contracts should be reviewed in detail and cross-checked with payment vouchers as well as reviewing the accounting of fruit suppliers for cross-referencing</p>
Trader Europe	There must be a right to cancel on quality
<b>General comments on sourcing plans</b>	
Exporter	I agree that we must work within a prior supply schedule

<b>Latin America</b>	
<b>HL Latin America</b>	I believe the most important thing is to try to manage the production and sales. The most important fair program for the growers is to use the fruit that we are capable to grow (such as size of the fruit). Sometimes due to the weather conditions (for example) the fruit harvested is not on SIZE that the supermarket needs..... And we just throw way the fruit (or sell for very low price).
<b>Fairtrade staff</b>	Generally, companies already indicate in contracts what they plan to buy for the year / season giving details how much volume per week they would need. This serves as sourcing plan. A separate document is obsolete. Rather add the "sourcing plan topic" to contract.

## Contracts

<b>Fresh fruit standard for SPO and HL (changes in red)</b>	<b>Comments</b>
<p>Contracts between producers and buyers must include the following:</p> <ul style="list-style-type: none"> <li>• Operator's FLO ID number</li> <li>• Reference to Fairtrade as an integral part of the contract</li> <li>• Product description(s)</li> <li>• Reference to sourcing plans</li> <li>• Description of how the system of orders will function (when and how weekly orders are confirmed)</li> <li>• Responsible party for product labelling</li> </ul>	<p><b>SPO and Exporter Latin America</b> Ordering systems should apply to fruits throughout the year such as bananas, pineapples and papayas</p> <p><b>Trader Europe</b> Some of the points are not necessary as they are in a daily business relationship. Getting it in the contract will limit the daily actions. Also the point n°2 should not be necessary if we are already adding FLO Id number. Then, about sourcing plan, if volumes are already specified, what is the reason to add a sourcing plan in the contract, knowing that a lot of reasons can lead to a change on any sourcing plan (less volumes in production, loss of customers etc.)</p> <p>Take out sourcing plan</p> <p><b>Stakeholder Europe</b> Yes, Reference to Fairtrade makes sense to be able to distinguish bonded contracts (one contract Fairtrade, a contract not Fairtrade to inferior prices) and possibly to avoid it</p> <p><b>Trader Asia</b> The responsible party for product labelling could be various.</p>
<ul style="list-style-type: none"> <li>• <del>Volumes of Fairtrade products</del> Minimum and maximum or fixed volume to be purchased and delivered on weekly basis for perennial fruits and seasonal basis for seasonal fruits</li> </ul>	<p><b>HL Brazil</b> Papayas are fruits produced weekly in the same farm</p> <p><b>SPOs Latin America (4)</b> For the specific case of bananas, "FAIRTRADE Fair Trade Products Volumes" should not be deleted.</p> <p>Yes, It is necessary to make clear that the minimum that is allowed to export is 1 container, and must be 100% full, otherwise the conveyor must make extra payments for the container.</p> <p><b>SPO and Exporter Latin America</b> Must explain the minimum volume related to the period of time since many times the buyer establishes at least one fair trade container but does not specify if the order is canceled, weekly, etc.</p>

<ul style="list-style-type: none"> <li>• Date and duration of the contract</li> <li>• <del>Duration of the contract</del></li> <li>• <del>Quality specifications of each product</del></li> <li>• <del>Specific Fairtrade Price and Premium for each product</del></li> <li>• <del>Payment conditions for Fairtrade Price and Premium for each product</del></li> <li>• <del>Terms of delivery using Inco Terms</del></li> <li>• <del>Description of the liability of each party and the quality check and claim procedure</del></li> <li>• <del>Definition of "Force Majeure"</del></li> <li>• <del>Description of mechanisms to resolve conflicts separate from jurisdiction</del></li> <li>• <del>Description of pre-finance mechanisms or agreements</del></li> </ul>	<p><b>Exporter Latin America</b> Payment time must be informed as well</p> <p>The last clause should indicate if the contract should be renewed year by year and what happens if it is not renewed on the date indicated by the same. If it should be specified in the contract that the form of payment will be made according to the Trader Standard and prefinancing charges if an agreement is reached.</p> <p><b>SPO Latin America</b> Agreed that the two options date and duration are stipulated. It was reviewed in the contract criteria for traders.</p> <p>We do not agree to remove anything from the above except the last point (prefinancing) everything else should follow, it is important that this in the contracts (2)</p> <p>The contract in banana product fresh fruit is 1 year.</p> <p>The contract must regulate the transactions that are made even if it is already in a standard, this regulates the producer-buyer relationship (2)</p> <p>Please, this point is key the date of duration of the contract and its strict compliance must be subject to exhaustive monitoring during the audits.</p> <p>should be left for ease of reference</p> <p><b>SPO and Exporter Africa</b> Date and duration: agree. Can be taken out as they are covered by the Fairtrade Trader Standard: I don't agree as Fairtrade trader standard is not applicable to producers and I think that product standard is more generic and applicable to traders and producers.</p>
<ul style="list-style-type: none"> <li>• Required minimum weight with realistic factor for dehydration for each product</li> <li>• Rules for Dead Freight</li> </ul>	<p><b>HL Latin America</b> Do not load 'dead freight containers for mangoes and lemon. The net weight of these two fruits, upon arrival to the customer already contemplates dehydration.</p> <p>Add the minimum weight and / or size should be done from the grower to the supermarket. Sometimes due to climate the production has some problems and it needs to be adjusted.</p> <p>Dead freight must be applicable for all products, only in case of banana there may be depletion (or extra weight compensated) by dehydration.</p> <p>I am not sure what the "Dead Freight" refers to and is not defined within this consultation document.</p> <p><b>SPO Latin America</b> Yes, you should analyze dead freight, that if the product weighs more than the requested does not cancel more amount of money</p> <p>The client must demonstrate by methods or tools of credibility the average weight lost by dehydration or another factor should be a shared management jointly between the exporter and the</p>

	<p>importer.</p> <p>Yes, for pineapple it is already determined that the loss is 0.3 kg / box, therefore this value is used to establish a minimum weight.</p> <p>Dead freight for all products and only extra weight by dehydrating in banana</p> <p>Analyze the rules of dead freight by dehydration since there may also be on weight of the fruit</p> <p><b>Exporter Latin America</b> The client should show the average weight lost by dehydration through a study in conjunction between the exporter and the buyer.</p> <p>No, dead freight for all products, but dehydration only keeping for bananas.</p> <p><b>HL Africa</b> There is no need to further complicate things, really.</p> <p><b>Trader Europe</b> Dehydration is not an issue in bananas business. We speak about a medium weight when fruits are sold to the buyer (depending on incoterms). Dead freight is not even an option on bananas business, no growers will accept to take responsibility for this.</p> <p>Dead freight for all products, but dehydration only keeping for bananas (2)</p> <p>No need to take this up in FLO rules - focus on what is essential</p> <p><b>Fairtrade Staff</b> keep it for bananas</p> <p><b>NFO</b> Rules for dead freight "if applicable"</p> <p>dead freight for all products, but dehydration only keeping for bananas</p> <p><b>Germany</b> No – dead freight for all products, but dehydration only keeping for bananas</p>
<ul style="list-style-type: none"> <li>If applicable: reference to additional or special packing material and services and related costs not included in Fairtrade Minimum Price (e.g. for “clusterbags” or “parafilm”)</li> </ul> <p>If a producer does not sell on the price level the Fairtrade Minimum Price is defined (e.g. selling on FOB, but FTMP is defined on Exworks only), the</p>	<p><b>HL Latin America</b> I believe the Fairtrade Minimum Price Guarantee is important and it needs to have. The other cost (such as packing material, other service cost, etc ) needs to be agreed between the producer and importer (Fairtrade needs to analyze and agree)</p> <p><b>SPO Latin America</b> We agree with the exception of changing the cluster word Cluster and second include the labor surplus (if applicable). (2)</p> <p>The packaging material must be reflected in the contract, detailing the type and quality of the same, if an extra or different material is required to that established in the contract,</p>

<p>contract must refer to the packing material and related costs and other services (e.g. transportation) not included in the Fairtrade Minimum Price (e.g. for “clusterbags” or “parafilm”). In case the producer sells on the Fairtrade Minimum Price level including packing material, any deviation from costs related to standard packing material or services must be addressed in the contract and compensated on-top.</p>	<p>the organization should have the possibility to charge the difference in expenses that that generates.</p> <p>Please explain this change well ... and that the clause clearly states and avoid misunderstandings in the future.</p> <p><b>NFO</b> Should be integrated in the product description</p> <p><b>Trader Europe</b> This is a good example of how to make something easy complicated. Scrap EXW prices.</p>
<ul style="list-style-type: none"> <li>• Reference to sourcing plans, including a threshold above which the commitment to the minimum volume can be cancelled (% of fruit not meeting the quality specifications)</li> <li>• Non-Fairtrade payment terms and price mechanism in case of short falling sales and quality problems for each product</li> </ul>	<p><b>Exporter Latin America</b> Must be applied according to the schedule of delivery with the buyer. Must be adjusted between parts.</p> <p><b>HL Latin America</b> Quality and fruit / vegetable / roots appearance need to be set between the grower and importer and adjusted when it necessary.</p> <p>There can be climate change and natural phenomenon that may affect fruit</p> <p><b>SPO Latin America</b> This is in the contract, is covered by FAIRTRADE trade standard (4)</p>
<ul style="list-style-type: none"> <li>• <del>Responsible party paying the Fairtrade Price and Premium to producers</del></li> </ul>	<p>It is considered that the party responsible for paying the producers Fairtrade price and premium should not be removed from contracts.(3)</p> <p>With regard to the prices and payments of the fruit, when problems of difficulty and quality are present, it should be mentioned that in this case, the estimates are made with 15 days' notice and also indicate that the qualities of the fruit are with the quality control in packing plant.</p> <p>I think that the orders must be confirmed week by week, with this to be sure of the quantities of fresh fruit for marketing in the destination country.</p> <p>I think that if it already exists in another standard, it can be ignored in the fresh fruit standard but I think that if there is no contradiction between the standards it can be left because what coincides does not hurt.</p> <p>“Fincas del Oro” will make their comments, had quality problem with follow touches, there should be some flexibility, which is no excuse to break a contract and not leave without buying a lot. In Ecuador, always has a black sigatoca problem and depends on the weather conditions.</p> <p><b>SPO Africa</b> Minimum volume mentioned in the contract will cover this point. Can be taken out as it is covered by the Fairtrade Trader Standard: agree (2)</p>

	<p>More expertise is needed, cannot decide on a percentage.</p> <p><b>Trader Africa</b> According to the contracted according to the agreed specifications</p> <p>If you can, elaborate the main quality problems...</p> <p>Percentage details not available, but agree with the idea. I agree with this change.</p>
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**Are there more points that should be required by the Standard to be included in the contract?**

<b>HL Latin America</b>	Papayas is a kind of fruit which we need to harvest every week and some climate problem can affect the production. It is important to be analyzed the production some period before to adjust sales and production with the grower reality.
<b>SPO Latin America</b>	<p>First that for the supply plan the banana producer's estimates are taken into account at the start of the contract. Second, the minimum order volumes of FAIRTRADE should be taken into account on a weekly basis and not accumulated during the year.(4)</p> <p>Must include the quality controls of fresh fruit that is made in a power plant by the inspector or quality control of the purchasing company.</p> <p>Banana, stricter review of payments for minimum prices and Fairtrade premium .... Review production capacity of producer organizations on the basis of the hectare they own and average productivity can establish commercial capacity.</p> <p>You should determine the percentage of the payment in case of not meeting the minimum volume, we suggest 100%, (baby banana), has existed in case with XX who recognized 50%.</p> <p>Quality processes should be included in the evaluations of the packing plant.</p>
<b>PN</b>	No deductions should be made on the premium even bank transaction fees.

**Confirmation of orders – proposal to reduce time span to 2 days**

<b>HL Latin America</b>	<p>The ideal is to be informed +/- 07 days before boarding so that it is possible to plan the harvest (papaya harvest is weekly (every week in the same tree).(2)</p> <p>2 days is very short notice</p> <p>It is not flexible or commercial. In the case of bananas it would suffice that the orders be confirmed on a weekly basis, as well as the import market and the retail markets. Not less than a week. The programs of cutting, harvesting, packing, maturation, delivery to retail, etc. everything is WEEKLY in banana. Or 7 days.</p> <p>The amounts in the general must be agreed in the Supply Plan; while the specific quantities of delivery are part of the dynamics that the TC Producer agrees with the Marketer; I do not see the need to regulate by Fair Trade with a written order two business days before. In addition, in the case of farms, climate plays a fundamental role; It may happen that the Producer has more or less fruit than the estimated fruit and it is expected that the Marketer will be able to accommodate variations.</p>
<b>SPO Latin America</b>	<p>In the case of pineapple must be confirmed at least 8 calendar days before to be able to confirm calibers.</p> <p>Cannot coordinate in two days, in the case of banana you need confirmed weekly as well that you have to coordinate with the sub group of producers and in two days is impossible</p>

	<p>It is not flexible or commercial. In the case of bananas it would suffice that the orders be confirmed on a weekly basis, as well as the import market and the retail markets. Not less than a week. The programs of cutting, harvesting, packing, maturation, delivery to retail, etc. everything is WEEKLY in banana. Or 7 days.</p> <p>It takes at least 5 days to prepare the documentation and other national regulations.</p> <p>You should analyze the different fruits since some do not have the same processing time can be left to 5 days.</p> <p>Must be made at least 10 days earlier, two days does not give us alternatives to market changes or packaging adjustments.</p>
Trader Latin America	<p>For papaya the previous period would meet. Every shipment of papaya is aerial.</p> <p>In the case of pineapple it must be confirmed 8 days before in order to confirm gauges.</p>
SPO Africa	<p>Arrangement of orders can be communicated through phones and shall not be in writing.</p> <p>Keep as is, with no limitations.</p>
Trader Europe	<p>2 working days is not enough in bananas grower needs to receive the orders at least 10 days before vessel departure as they need to plan their harvest.</p> <p>Leave this to the contract parties - no need to regulate what parties can regulate very well in good discussion by themselves - 5-10 days can be a guideline, but give freedom in the individual contract.</p>
Trader USA	<p>Why is the time being changed from 5-10 days to 2 days? 2 days does not seem like enough to pack and ship an order.</p>
Germany	<p>keep 5-10 days</p>
Fairtrade staff	<p>5, not 2 working days</p>
PN	<p>no need for more paper work</p>

## Retro certification

Unfair competition	
SPO Latin America	<p>Retro-certification opens up unfair competition between giant operators and small producers / traders, considering that in the case of orange juice there are operators operating thousands of tons of juice and that it is an oligopoly in the hands of only 3 operators in the world, or be it practically all the packers in the world, Fairtrade or not Fairtrade are buyers of these operators, who are always in infinite commercial advantage at the expense of smaller operators who operate small volumes with a small portion of packers. This rule offers a commercial advantage to large operators, since the market is always buying from them rather than channeling those buyers to a more authentic and exclusive Fairtrade source. This measure discourages large traders from buying Fairtrade from producers, because at any time they will be able to perform retro-certification on demand. The only sense of having giant operators in the Fairtrade system is their condition and ability to influence their buyers to increase Fairtrade purchase volumes and to take the risk by buying a Fairtrade product, helping the products, even though the market is not guaranteed for the Fairtrade. Sale because they have the financial and economic capacity to do so. Otherwise the big traders do and have done a huge dis-service to the Fairtrade community in general, producers, small traders and consumers.(5)</p> <p>Retro-certification opens up unfair competition.(2)</p>
Transparency	
SPO Latin America	<p>Because the organizations do not see clearly how they will receive the benefit of the price differential of FT fruit and non-FT fruit, in addition to the fair trade premium, as we also consider that this would confuse the final consumer ..</p>

	<p>Provided the producer receives the prize.</p> <p>The physical and documentary traceability of the fruit should be checked to ensure that the fruit is Fairtrade</p> <p>No, because of the high risk that the importer or buyer may not declare with product ft at the time of sale and decide not to inform the producer, also, there is no way or mechanism to be labeled as FT at the time of sale from the SPO .</p>
<b>Reputational risk</b>	
<b>Trader Europe</b>	Complicated, how do you want to explain this sort of rules to a consumer when this way of working is known.
<b>Not an advantage for producers</b>	
<b>Trader Europe</b>	We agree, but not for bananas. For bananas, it will work adversely, promote careless planning at the expense of the producers.
<b>SPO Africa</b>	It will have a major impact on the first buyer, which will mean that the farm will have to exit the program and then the FPC will lose out at the end.
<b>Not an advantage for traders</b>	
<b>Trader Africa</b>	I am not 100% sure if I understand this correct. The financial impact for us if retro-certification is no longer allowed is huge. The workers on the producing farms stand to lose the most if retro-certification is not allowed.
<b>Trader Europe</b>	This will cause a lot of problems in our case. We buy unlabelled Fairtrade products, so there is no chance of misunderstanding in the supply chain and with the customer. We can decide afterwards if we sell the products as Fairtrade. As we have no strict program with Fairtrade clients, we can't buy strict Fairtrade volumes, as we are not sure if we are able to sell them as Fairtrade. This all is agreed in the contract with the supplier.
<b>In favour of simplification</b>	
<b>NFO</b>	The current process is unanimously too expensive and too complex while the increase for FT sales should be eased
<b>Trader Europe</b>	<p>Process needs to be simplified, definitely!</p> <p>Much too complicated: retro certification shall be transmitted to the supplier who issues an additional invoice - total FT goods are then anyhow reported to flotis</p>
<b>HL Africa</b>	I agree with (the deletion of) the requirement which will ensure Fairtrade certified fruit is sold and the Fairtrade Premium is paid to the workers for social projects.

## Quality claims

### General comments

<b>SPO/Exporter Africa</b>	It needs some improvements for no ripeners or fresh fruit for processing shall be excluded. Quality claims shall not be limited to quality issues but shall include all kinds of complaints or problems
<b>Trader Europe</b>	<p>not topic of Fairtrade</p> <p>Take into consideration the partnership relation which exists between producer/importer!</p>

<b>Requirement for all fresh fruit for export (for fresh consumption) (changes in red)</b>	<b>Comments</b>
In the harbour of loading, operators are allowed to refuse the part of the shipment that does not comply with the quality definition as described in	<p>35 participants in agreement with the paragraph (across different actors and countries)</p> <p><b>Workshop South Africa</b></p> <p>In agreement</p>

<p>the contract between the two parties.</p>	<p><b>Workshops LA:</b> 52 orgs. In agreement, 11 in disagreement, 27 did not answer</p> <p><b>Trader Europe</b> Yes, of course, but only on presentation of a systematic quality report (form free, but systematic) to avoid refusal on commercial grounds.</p> <p><b>SPO/Exporter Latin America</b> Yes, but banana quality assessments would be made at the port of destination and at the packing plant .. not at the loading port. Correct the paragraph. No, If the sale is EX WORK the acceptance is at the place of delivery. Previous inspections may be available during the harvesting and packaging of the product. No, the last point where you can make quality claims is in the packing plant, in the field there is a manager who gives the approval to carry out the harvest and a packing supervisor.</p>
<p>The importer may claim quality problems within 48 hours after arrival at port of destination.</p>	<p>31 participants in agreement with the paragraph <b>2 in disagreement (also see comments below)</b></p> <p><b>Workshop South Africa</b> In agreement</p> <p><b>Workshops LA</b> In agreement</p> <p><b>HL Latin America</b> OK. however it must be on arrival at the warehouse.</p> <p><b>SPO &amp; Exporter Latin America</b> no, it will depend on the conditions of sale. Buyers can have their inspectors during the harvest, product packaging to guarantee the purchase of the product</p> <p><b>Trader Europe</b> ok, but should be said "after release" (by customs etc...) No, I do not agree. 48 hours are not enough - more time is needed. Add max. Time reference for quality claim So short term. Sometimes in 48 hour ripener still does not receive the fruit obvious quality problems; hidden defects even later arrival at customer - may not be inspected in port</p> <p><b>Trader Africa &amp; ME</b> Maybe you should increase the time.</p> <p><b>HL Africa</b> The sooner the better</p>

<p>Traders (excluding ripeners) who buy products from an importer may claim quality problems within 48 hours after taking delivery of the product.</p>	<p><b>29 in agreement, 4 in disagreement, see also comments below</b></p> <p><b>Workshop South Africa</b> In agreement</p> <p><b>Workshops Latin America</b> 19 organizations in agreement</p> <p><b>SPO/Exporter Africa</b> No, may claim within one week</p> <p><b>Exporter Latin America</b> in this case, a MAXIMUM tolerance for clearing and delivery from Port to importers warehouse, has to be established. Suggestion: 2 working days.</p> <p><b>Trader Africa &amp; ME</b> Same as above as in big quantities quality problems might be seen later.</p> <p><b>HL Africa</b> Fair and warranted, as above.</p> <p><b>Trader Europe</b> no, max 24 hours No - traders have to refuse immediately. They cannot hold the product so long. So Short. 48 hours is not enough time to do the custom clearance and transport to customers warehouse obvious quality problems; hidden quality defects even later importer needs same terms</p> <p><b>Trader USA</b> Can it be more than 48 hours?</p> <p><b>Fairtrade staff</b> not realistic Yes, I agree. Adhere to eucofel / cofreurop terms, although they are more strict (to be claimed 6 or 8 hour after delivery)</p> <p><b>Germany</b> No, I do not agree. 48 hours are not enough - more time is needed. Add max. Time reference for quality claim</p>
<p>For bananas and other fruits where ripening occurs, the ripener may claim quality problems to the seller within 8 working days after receipt of the fruit but not later than 15 days after arrival of the fruit at port of destination.</p>	<p><b>22 in agreement, 6 in disagreement, see also comments below</b></p> <p><b>Workshops Latin America:</b> 61 orgs. In agreement, 17 in disagreement</p> <p><b>HL Latin America</b> I do not agree, because in the case of air papayas, there is no container in the air transport and this can increase maturation. Ideally upon arrival be done the QC report with the complaint when needed. Okay, but the deadline should be to receive the fruit in the store.</p> <p>Yes, it should be maximum 10 days from arrival of fruit, since the process of maturation already concluded normally to the 10th day.</p> <p><b>SPO Latin America</b> no, the term should not be 8 days but 48 hours, as is handled throughout the chain</p> <p>no, depending on the conditions of sale but the claim must be made at the time of delivery of the product</p>

	<p>Doing the maths: 8 business days represent fifteen days after arrival the fruit to the ripener, if they took two or three days to deliver the fruit and there is a chance to claim up to fifteen days, do the maths and you will see that this gives rise to complaints after more than one month of arrival of the fruit and two months since the fruit left the port of shipment ..... the SPOs would be totally defenseless.</p> <p>Fairtrade staff replace "8 working days " with 3 weeks as the day of arrival is different from the "availability day" and arrival at the "ripening place", +</p> <p>No, a reduction in timelines; the 8-15 days.</p> <p><b>Exporter Latin America</b> No , maximum 10 days after reception and start of ripening process.</p> <p><b>HL Africa</b> A week is enough for claiming of any quality issues, anything later than that could be as a result of the new environment and its conditions in which the fruit has been placed.</p> <p><b>Trader Europe</b> 5 days is not enough for ripen products as we should consider minimum 3 weeks, maximum one month because some of problems occurs after ripening, and when market is slow, fruits are not ripenend quickly.</p> <p>No, max 24 hours</p> <p>OK, but the final settlement and calculation of the claim must be allowed to take longer, because the information feedback from retailers is slow. 15 days it's too much. Sometimes ripeners claim 14 days after the arrival because they have yellow bananas. In my opinion after 14 days, of course you will find ripened bananas In case the bananas are stored in a buffer stock, I suggest to extend to 17 days after arrival of the fruit at port of destination</p> <p><b>Germany</b> No, I do not agree. just leave 15 days, delete "within 8 working days". In general one week is needed in the harbour and week in the ripening facility.</p>
<p><del>Within 1 working day, the claim must be sent to the seller.</del></p> <p>When receiving a quality claim, it must be transferred to the next operator in the supply chain within 24 hours, unless the operator that received the claim takes responsibility for it and processes the claim.</p> <p>In all cases the buyer can only claim against the seller if the buyer can prove that they are not at fault for the defect.</p>	<p><b>35 in agreement, 1 in disagreement, please see also comments below</b></p> <p><b>Workshop South Africa</b> In agreement</p> <p><b>Workshops Latin America</b> 59 orgs. In agreement (30 didn't answer)</p> <p><b>HL Latin America</b> The claim must be made within 3 days of arrival at the importer.</p> <p><b>SPO/Exporter Africa</b> It must be transferred to the next operator by maximum 7 days</p> <p><b>Trader Europe</b> 24 hours is not enough, if someone is not in for one day, claim will not be transferred so quickly</p> <p><b>Fairtrade staff</b> not realistic</p>

	<p><b>Germany</b> No, I do not agree. 24 hours not enough - more time needed. Add max. Time reference for transferring quality claim.</p>
<p>In case of quality claims, it is only allowed to transfer back to producer organizations the costs of the fruit and the packing (FOB price) and the cost of the transport (shipment until port of destination). These costs must be transparently proven to the producer organization. The date of the invoice by producers must be used for the currency conversion rate.</p>	<p><b>31 in agreement, 4 in disagreement</b></p> <p><b>Workshop South Africa</b> In agreement (this is the standard practice)</p> <p><b>Workshops Latin America:</b> 69 orgs. In agreement y 14 in disagreement</p> <p><b>HL Latin America</b> OK. unfair to the exporter and the importer.</p> <p><b>SPO Latin America</b> no. It would not apply to bananas because it is currently sold at ExWorks level.</p> <p><b>SPO/Exporter Africa</b> Yes, quality inspection costs shall also be transferred to producer if producers is the only responsible for the claim .</p> <p><b>Trader Europe</b> The transferred cost in case of claims should be discussed depending on each cases. sometimes you have to make selection on all volumes in order to save something and not just refuse 100% of fruits, in this case it happens extra cost for selection...</p> <p>This is impossible: This makes it more attractive to reject a whole container, than trying to salvage as much value as possible by selling it on, claiming additional costs to the producer.</p> <p>and the cost of disposal as that is an increasing cost</p> <p><b>PN</b> In case of quality claims, The Importer should agree with the exporter about the percentage of deduction that should not be less than the costs of the fruit and the packing (FOB price) and the cost of the transport (shipment until port of destination). These costs must be transparently proven to the producer organization. The date of the invoice by producers must be used for the currency conversion rate.</p>
<p>Producers cannot be made responsible for additional costs resulting from transport or handling of shipments with quality problems which could have been normally detected earlier in the harbour of loading or port of destination.</p>	<p><b>28 in agreement, 5 in disagreement, please also see additional comments below</b></p> <p><b>Workshop South Africa</b> In agreement (good for producers)</p> <p><b>Workshops LA:</b> In agreement</p> <p><b>HL Latin America</b> practically impossible to detect problems in the transport before the arrival of the cntr in the destination.</p> <p><b>SPO Latin America</b> no, Due to the difficulty of inspecting all the volumes, it is open the possibility that there are products that do not comply.</p> <p>yes, or when the buyer has inspectors during the packaging of the product and depending on the conditions of sale.</p> <p><b>SPO Africa</b> No, it shall be linked with the liability of the product and agreed price system(FOB, Cif)</p> <p><b>HL Africa</b></p>

	<p>In agreement with this. It's important to keep in mind that producers can't always afford extra costs.</p> <p><b>Germany</b> No, I do not agree. Producer is responsible for loading the right quality. Not importers fault</p> <p><b>Trader Europe</b> NO, it is theoretical to assume that problems can be detected earlier, without opening all boxes, which would incur higher costs and damages. Of course, the buyer has to defend the fruit and act in the best interest of the cargo.</p> <p><b>Trader</b> no - you do not open every box - the less you touch the fruit the better the quality. You need to understand that for a few claims a year you cannot touch every box</p>
<p>Certain defects <b>mainly develop</b> after the ship has left the harbour of loading, e.g. crown rot, crown mould, <b>bruising</b>, neck rot, peel rot and ripe and turning. In these cases the fruit can be refused in the port of destination.</p>	<p><b>29 in agreement, 4 against, please see also additional comments below</b></p> <p><b>Workshop South Africa</b> In agreement</p> <p><b>Workshops LA</b> 76 orgs. in agreement</p> <p><b>SPO Latin America</b> Yes, as well as for some specific mismanagement of the cargo inside the ships, it would have to be seen that the handling is not the responsibility of the organizations No, if sales are made at the level Ex WORK OR FOB no quality claims are made because the buyer may have an inspector during harvesting and packaging of the product. No, we don't agree because this is handled in the field for lack of cleaning and in handling of each producer and is not visible when packing and can only be seen in destination</p> <p><b>HL Latin America</b> No, it is not correct. because most of these problems detailed in the article, are originated in the FIELD during agricultural production, and due to lack of care or hygiene and poor management of IPM (integral pest management) of the production organization or farm, have problems on arrival after long overseas transportation. therefore, these problems of crown and neck rot are the responsibility of the producer. These specific problems cannot be detected in the packaging or in the ex-works or fob quality control. it is impossible. they are only noticeable within 2-3 weeks of being packed / shipped.</p> <p><b>Exporter Latin America</b> If, rots and mold on the fruit are derived from a poor washing process in the stack discharge, misapplication of waxes and fungicides.</p> <p><b>HL Africa</b> And in such cases, who carries the cost when the fruit is refused entry?</p> <p><b>Trader Europe</b> Or during and after ripening, when these problems appear, especially in inhomogeneous consignments of SPOs that cannot be detected on arrival.</p> <p><b>PN</b> this should only be applicable if the shipment is not on CIF terms</p>
<p>To be valid, all claims must contain the following information: Precise data on the shipment: at</p>	<p><b>32 in agreement, 2 against, please see also additional comments below</b></p>

<p>minimum date, name of ship, total volume of Fairtrade, port of destination.</p> <p>A description of quality problems including photos documenting the defect, codes of all pallets affected, and the extent of a specific quality defect (% of affected boxes per pallet)</p> <p>If the buyer or ripener fails to send in the report with contents as specified in this section, and within the time limit, the producer/exporter may consider the shipment accepted.</p>	<p><b>Workshop South Africa</b> In agreement</p> <p><b>Workshops Latin America</b> 82 orgs. in agreement</p> <p><b>SPO Latin America</b> No, in addition to the information it shall contain an efficient and fast liquidation, not 6 weeks after arrival of the product. yes, the claim must also include temperature data during the trip, as it may exempt any interested parties from liability AGREE, if any specific information is missing, the complaint should not be dealt with and the claims must be included in audits</p> <p><b>Trader Africa &amp; ME</b> Agree, but time of claiming must be extended.</p> <p><b>Trader Europe</b> Ideally yes, but in practice this is usually not feasible because of very high cost of information feedback, this will put SPOs out of business, because of the labourious data collection required. It is obvious that sufficient information has to be provided, but this cannot be 100% prescribed. not always possible with very large shipments, even if pallets are barcoded - when sold yellow bananas are not on the same pallets as originally arrived on due to order volumes. This is too tight</p> <p><b>PN</b> photos should be a must</p>
<p><b>Authorised quality inspection in the country of destination</b> Within 48 hours after receiving the buyer's (or ripener's) quality claim, the seller can notify the Fairtrade payer (or ripener) in writing that they will arrange counter inspection by an authorised surveyor. This surveyor will be contracted and paid by the contracting entity, unless both parties have agreed otherwise. The claiming party (buyer and/ or ripener) must facilitate this inspection within 5 days after the seller has received the quality claim. If the seller does not react to the quality report within the specified period the buyer (or ripener) may assume that the seller accepts the refusal of the fruit. The reports of authorised independent surveyors are binding to both parties and shall be the ultimate basis of settlement of any dispute over the quality of the fruit between the seller and buyer and/ or ripener.</p>	<p><b>31 in agreement, 1 in disagreement, please also take into accounts additional comments below</b></p> <p><b>Workshop South Africa</b> In agreement</p> <p><b>Workshops Latin America</b> 67 orgs. in agreement y 21 didn't respond</p> <p><b>SPO Latin America</b> No, because this requires the producer to have extra expenditure when buyers may have inspectors in the port or packaging of the product, and the inspection cost in the departure may be split but not at arrival where the producers do not have minimum control over the product and this results in unnecessary costs for both.</p> <p><b>Trader Africa &amp; ME</b> Agree with extending the period of the claim.</p> <p><b>Trader Europe</b> Last section: who is independent? the one paid by supplier, the one paid by seller?</p>

## Shortfalls in sales

## 10% flexibility

<b>SPO Latin America</b>	because in the end that cost is charged to the producer ..
<b>Trader Africa</b>	Need more thinking.. depended on the situation.
<b>Trader Europe</b>	<p>10% seems too low</p> <p>Why this rule? If we as a producer of dairy products make an order with meadow milk and after production some product has to be sold for a lower price as regular milk, we cannot claim this at our farmers. that's the risk of being trader / producer</p> <p>Why should producers not participate in taking risks and be protected from being empowered entrepreneurs? If there are shortfalls for whichever reasons the importer not only shoulders the costly expenses, but also in some cases may lose customers due to unreliability.</p> <p>should be more flexible</p>
<b>Fairtrade staff</b>	This is too complex to audit. High risk of misuse - also FT labelled fruit on market that is not FT. High risk for credibility of the system. Most importantly this is not advantageous for POs, but merely trader friendly.

## 20% flexibility

<b>Producers Latin America</b>	<p>Continue with 10% that there is no difference between perennial and seasonal crops</p> <p>Keep 10%, do not have a difference in seasonal and perennial</p>
<b>Trader Latin America</b>	also set at 10%. no difference between seasonal and perennial fruits.
<b>HL Africa</b>	10% too
<b>Trader Africa</b>	Need more thinking.. dependent on the situation
<b>Trader Europe</b>	<p>it should not be any difference between seasonal and perennial fruits. In both case, it is question of planning the sales.</p> <p>set it also at 10% - no difference between seasonal and perennial</p> <p>I would like to keep the possibility to decide afterwards what sales were Fairtrade.</p> <p>Why this rule? If we as a producer of dairy products make an order with meadow milk and after production some product has to be sold for a lower price as regular milk, we cannot claim this at our farmers. that's the risk of being trader / producer</p> <p>Why should producers not participate in taking risks and be protected from being empowered entrepreneurs? If there are shortfalls for whichever reasons the importer not only shoulders the costly expenses, but also in some cases may lose customers due to unreliability.</p> <p>no difference between seasonal and perennial fruit = 10%</p> <p>needs to be 10% as risk then is all growers again for a short season</p> <p>should be more flexible</p>
<b>PN</b>	10 % is enough
<b>Fairtrade staff</b>	<p>10 % - same threshold as for perennial fruits - would be sufficient</p> <p>set also at 10%</p> <p>This is too complex to audit. High risk of misuse - also FT labelled fruit on market that is not FT. High risk for credibility of the system. Most importantly this is not advantageous for POs, but merely trader friendly.</p>

### General comments

<b>SPO Latin America</b>	it is always important the volume in season and the effects during those volumes and compare them based on reality
<b>SPO Africa</b>	I agree with the requirement, but I cannot decide on an average as we don't have enough information to make a decision.
<b>Trader Europe</b>	it should not be any difference between seasonal and perennial fruits. In both case, it is question of planning the sales, even if it is difficult.
<b>Fairtrade staff</b>	important to keep 20%

### In case you would like to suggest another percentage, please indicate it here and justify your answer:

<b>SPO Latin America</b>	But you must establish a minimum price that does not compromise the cost of production  I think it is reasonable in bananas and in seasonal fruits the market is volatile and as demand is concentrated in seasons I think it is also reasonable the percentage
<b>SPO Exporter Africa</b>	30-40%
<b>Trader Africa &amp; ME</b>	As a trader, the higher the figure, the higher is the convenience.
<b>Trader Europe</b>	0%
<b>Fairtrade staff</b>	10% in both cases, per shipment and per supply chain, as discussed in the workshop  if you introduce this, then please do not make it more complicated in applying different % and not easily to calculate %.

### Do you have any comment to the requirement on Non-Fairtrade sales presented above?

<b>SPO Latin America</b>	Maintaining the previous system and avoiding that a product cannot be sold for lack of market, is to continue with the model of the maximum 10% of sale not Fairtrade
<b>HL Latin America</b>	very important to maintain this, to avoid being "declassified" but the same sold at destination as FT with the packaging that goes printed on the box. that would be scam and injustice.
<b>Trader Latin America</b>	important to keep as it is
<b>SPO Africa</b>	Please be as flexible as possible on this one for the benefit of all parties
<b>Trader Europe</b>	Important, keep it (2)

### Reporting on non-Fairtrade sales

<b>SPO Latin America</b>	Because it makes us participate in a sale of FAIRTRADE fruit that is sold as NO FAIRTRADE which tends to confuse the final consumer.  this can generate internal problems in the producers' organizations, in Ecuador the fruit is paid each week and if already paid to the producers with a minimum price if we count the travel time, the deadlines for the payment of the fruit and premium and if later increase 15 days more to inform the organization, it means that the producer will be informed after more than 2 months that his fruit was not sold as FAIRTRADE ..... I really believe that a door is opened that can generate many setbacks to all actors in the chain
<b>SPO/Exporter Africa</b>	One week is enough especially quality claim is transferred to producers within 48 hours
<b>Trader Africa</b>	Not Grantee to be sale non-Fairtrade

	2 weeks is a too long time to inform the exporters.
<b>PN</b>	report should be quarterly for both
<b>Trader Europe</b>	<p>Process needs to be simplified, also giving information about customers will not be followed as we cannot say to the grower where we sold precisely the non-FT fruits.</p> <p>The idea is laudable, but it will entail loads of administrative pressure, loads of discussion by producers who contest everything but cannot judge the situation and the justification of the claim in any case. If there is not a certain amount of trust between buyer and seller in this area, even Fairtrade will not be able to change this.</p> <p>Too much work to do this every two weeks</p> <p>too complicated: the importer reports to his supplier and he adjusts the documents !</p> <p>needs to be monthly as accounting function</p>

## Requirement on Premium reporting

Do you agree with the change to the requirement presented above?

<b>SPO Latin America</b>	There are projects that are maintained continuously in the case of banana as the case of cycles of organic fertilization for all years, should be reported annually or should be considered that the project is not yet completed ..... is a question ???
<b>HL Latin America</b>	Project information and what is done with the Premium is presented annually to the beneficiaries of the Fair Trade Premium, as stipulated in the Bylaws that govern the Association. In addition, the information is fully available for review during the Audits conducted by FLO-CERT. I think this is enough ..
<b>Trader Africa</b>	This cover during audit as COI
<b>Trader Europe</b>	The above is a good idea which we approve, but it is not far reaching enough. We wish that there is regular coordination between buyer and seller (SPO/HL) in which use, spending and priorities are discussed, not imposed, but discussed, so that the psychological contract of expectations between consumer/retailer and producer can be better honoured.

Do you agree with extending this requirement on Premium reporting to all fresh fruits?

<b>HL Latin America</b>	Project information and what is done with the Premium is presented annually to the beneficiaries of the Fair Trade Premium, as stipulated in the Bylaws that govern the Association. In addition, the information is fully available for review during the Audits conducted by FLO-CERT. I think this is enough
<b>SPO/Exporter Africa</b>	Because all information is verified during FLO-CERT audit and also covered in code impact report (COI) and mandays are deducted for verifying all these information and expensive fees are paid to FLO-CERT to verify this.
<b>Trader Africa</b>	This cover during audit as COI

## Traceability

<b>Trader Africa</b>	Agree with the concept but difficult for applying is difficult for some items for each container
<b>Trader Latin America</b>	identification of the individual member of a SPO on each box may not be applicable in case of small production amount or fruit seizing in case of oranges.
<b>Trader Europe</b>	Instead of a packing date you can use a traceability code as well, which is very common used in food safety management systems.

## Implementing a maximum land size threshold for SPO members

<b>Trader Europe</b>	<p>You don't want to exclude some farmer</p> <p>it will put pressure on small producers</p> <p>30 ha is not a small producer in all cases.</p> <p>Every country is different</p>
<b>SPO Latin America</b>	<p>In the case of Brazil, where there are extremely different realities of areas, depending on the region, we suggest maintaining the criterion defined by the Brazilian Government for a small producer by region, which are the fiscal modules for each region. In Brazil, establishing a single number for the entire country is impossible. In the north of Brazil there are small producers with 50 to 100 ha. In the south of the country, small producer has 5 ha. (5)</p> <p>maintain the criterion as it is due to the geographical reality of the Brazilian regions.</p> <p>because the essence of the small producer and his particular features are distorted (4)</p> <p>In pineapples an area of 30 hectares is not as profitable as to cover export costs, therefore these types of producers need to belong to an organization in order to get the most out of them</p>
<b>SPO/Exporter Latin America</b>	must preserve the areas of 30 hectares for the production of fresh fruit
<b>SPO Exporter Africa</b>	it will increase hired labour to enter into SPO (2)
<b>PN</b>	it will increase hired labour to enter into SPO

## Should the maximum threshold of land be 30 hectares, lower than 30 hectares, or higher than 30 hectares?

<b>SPO Latin America</b>	<p>In case of 50 ha papaya would be a good size to work with</p> <p>All fruits in Brazil must follow the criteria of the Brazilian Government of the fiscal modules, which already are in the norms for fruits in Brazil. (5)</p> <p>There are organizations that by small differences could enter the system and have an opportunity to improve their organization. all fresh fruits that can be introduced to the international market</p> <p>In the case of pineapple under Fairtrade purchases, buyers only ask for specific calibers in their majority for Europe, the highest orders are 8, which represents only 15% to 20% of production. the producer has to average prices to be able to compete in the conventional market. and to be efficient, and to have a sustainable annual program for supermarkets, organizations must have producers who can give sustainability to the program and to "maintain the market for the time when the smaller producers have fruit can take advantage of the space already assured by more consolidated producers within the organization. In addition a producer of 50 ha can represent a more direct benefit in terms of workers and community and generate quality of life within communities, standardize processes within the farm to ensure quality and minimize control costs to organizations as well as guarantee other certifications that allow an accompaniment to the Fairtrade product such as Global Gap (2)</p> <p>A producer of pineapple of 30 hectares would not be able to cover the costs of export, main certifications and the processing that are the ones that generate the biggest expense.</p> <p>It is a subject of much follow-up; in Ecuador they divide farms as leases in the</p>
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	<p>name of employees and workers of the owner of the farm only in papers so that large farms continue to benefit from fair trade with certification as small producers</p> <p>The organizations of small-scale banana producers in the Magdalena banana area disagree with the proposal by FLO-CERT of the extension to 30 hectares as a small producer, because the essence of the small producer would be lost, since we consider that a producer of 30 hectares is not small but medium (individual). Moreover, as a country position we consider that at least 80% of an organization of small producers must be composed of associates with a plot of land of no more than 8 hectares and the remaining percentage not exceeding 15 hectares. (4)</p> <p>It is considered that the number would be less than 10 hectares, the standard is 0.6 Man / Hectare, would be the work for a family and two people contracted. (3)</p>
<b>HL Latin America</b>	<p>Papaya (for example) needs to follow crop rotation. We have to take advantage of the constructions made for other certificates like GLOBALGAP. This requires larger areas for the buildings to be used for a long period, with the leasing of a larger area.</p> <p>Maintain the fiscal module criteria already defined by the Ministry of Agriculture.</p>
<b>Trader Latin America</b>	It depends on the fruit that a cultivar is going to, because different areas are needed
<b>SPO/Exporter Africa</b>	Maximum 2 hectares and linking with national definition to SPO (2)
<b>Trader Europe</b>	15-20 ha per farmer no limit !

### Inclusion of floor wages into the HL Standard for Fresh fruits

<b>SPO Latin America</b>	<p>should be the rate established in each country, for example in Costa Rica, the Ministry of Labor and Social Security, establishes minimum rates for different types of work, including agricultural work</p> <p>This lends itself to unfair competition, and goes against the workers, in the case of Uraba the income is US \$ 1 per hour, the system should not be lent for these practices. It must ensure that workers have a decent income according to the country.</p>
<b>HL Latin America</b>	SHOULD BE oriented by THE SMLV BY COUNTRY.
<b>SPO Africa</b>	it should be based on the national minimum wage.(2)
<b>Trader Africa</b>	It is higher than the SA wages. Small organizations will struggle if they have to pay according to the World Bank
<b>Stakeholder Europe</b>	would it be possible to include extreme poverty line in Fairtrade Minimum Prices? Would be easier to communicate as consumers anyway think that Fairtrade farms pay fair wages

### Considering an extension of mango for processing to HL in Mexico

<b>In favour of opening the scope to HL</b>	
<b>SPO Latin America</b>	I think the idea is that the benefits come to the countries of the South and if the benefits of fair trade reaches the workers of these plantations, I think there must be a way.
<b>Trader Africa &amp; ME</b>	This goes with Fairtrade spirit.
<b>Against opening the scope to HL, keep the restriction</b>	
<b>Trader Europe</b>	Important: There are currently enough certified Producers who cover the full organic & Fairtrade mango demand in Switzerland and the EU with high Quality product.

	The reason that the HL in Mexico wants to get certified is to try and take over the already established Fairtrade supply to Switzerland. If the HL in Mexico will get certified, they will push most of the SPO's which already supply to Switzerland and Europe out of the market. We cannot believe that FLO would support a HL certification at the expense of small Fairtrade Producers who have been producing Fairtrade Mangos for many years already and are already supplying high Quality Mangos to Switzerland and who have plenty additional volumes available.
<b>Other comments</b>	
<b>Trader Latin America</b>	According to the volume required by the market, it must be assessed whether SPOs are able to meet market demand.
<b>PN</b>	SPO worldwide can be certified for mangoes for drying should not be only Mexico
<b>Fairtrade staff</b>	The trader who requested the standard change in the first place has withdrawn from the project. Other traders think, there is no need to change the rule in Mexico as there are sufficient dried mangos from other origins to serve the Swiss markets.
<b>Trader Europe</b>	there should not be different rules if mangos are dried locally or processed and exported

### Revision of the specific country rule for HL in Brazil, especially for papaya producers

<b>In favour of lifting the limitation for papayas and other fresh fruits (except oranges)</b>	
<b>Trader Brazil</b>	For papaya due to its characteristic it is necessary to either increase the modules or eliminate the limitation of the modules.
<b>Trader Europe</b>	There is no reason to limit exportable land area of an completely certified farm. And not logic to have the rule for a single country nor product.
<b>Fairtrade staff</b>	"unfair limitation of FT-sales in one specific country, but producer has to comply by 100%. there are much bigger banana plantations certified than the Papaya producers which can only sell a small part of the actual production under FT-conditions"
<b>Against lifting the limitation, keep the restriction for papayas and other fresh fruits (except oranges)</b>	
<b>SPO Brazil</b>	Brazil is a producer of many kinds of fruits. In practically all there is in the production by SPO, including Papayas. In São Paulo, we know of the existence of small producers of papayas, obviously they would need support from Fairtrade or from operators to be structured to export, but it is a mistake to say that there are no small producers of this fruit. Just as it would be a huge mistake to extend the possibility of removing the restriction from fruit producers to other fruits, and in all of them there are small producers with the potential to supply the Fairtrade market for both export and processing. (6)
<b>Trader Brazil</b>	There are substantial volumes of papaya and other fruits produced by small growers in Brazil. The assumptions of this questionnaire are not correct.
<b>SPO Ecuador</b>	They could be big transnational beneficiaries affecting other Brazilian companies that want to operate in the system and benefit their workers, here the multinationals can use the Fairtrade system to try to wash their faces .
<b>Trader USA</b>	We should not change and dilute standards to meet FT demand.
<b>Other comments</b>	
<b>Trader Europe</b>	align with global 30 ha standard  "However, in order to apply the table correctly, the size of the fiscal unit should be applied by municipality, and not by region as is currently the case." Ok with this, but should be controlled. Why don't they form a third cooperative instead of creating an Oligopoly for Papaya in Brazil?

<b>In favour of lifting the restriction also for oranges and oranges for juice</b>	
<b>HL Chile</b>	The incorporation of TC would allow workers to access benefits that they do not have today.

<b>SPO Brazil</b>	Fresh fruits must be released but not juices.
<b>Trader Europe</b>	From a generic point of view it could make sense to delete this rule also for Orange (for juice) production. But I don't want to jeopardize question 10.1.1 with this answer...
<b>Against lifting the restriction also for oranges and oranges for juice</b>	
<b>SPO Ecuador</b>	They could be big transnational beneficiaries affecting other Brazilian companies that want to operate in the system and benefit their workers, here the multinationals can use the Fairtrade system to try to wash their faces .
<b>Trader Brazil</b>	The orange juice sector in Brazil is highly concentrated and with predatory records (cartelization etc). Small orange growers need to be protected against unfair competition. Last but not least, the volumes of oranges produced by small orange farmers are multiples higher than Fairtrade current and potential worldwide demand for FT orange juice and fresh fruit.
<b>Trader Europe</b>	should be even more controlled for oranges as this is currently not done consequently  The orange market otherwise is much more dominated by the 3 big processors

Do you agree with deleting the requirement that the owner has to live on the farm land or nearby?

<b>SPO Brazil</b>	Small producers as a rule live on or near the property, so this rule can be maintained in order to reinforce the reality of small producers in Brazil.(3)
<b>Brazil</b>	maintain the requirement due to the reality of the rural producer in our country.
<b>SPO Ecuador</b>	I think it's indifferent .... the concept who benefits is what matters

## Transition period

<b>12 months</b>	
<b>SPO Africa</b>	1 year
<b>SPO Latin America</b>	it is possible a little more time or 1 year.
<b>Trader Africa</b>	12 months (4)  Should be a year because of wine grapes that is being produced yearly
<b>Trader Europe</b>	1 year  We would suggest a period of at least 12 months
<b>HL Latin America</b>	The deadline should be longer, as they can often involve major changes within organizations.
<b>Applicable from 1 Jan 2018</b>	
<b>Trader Europe</b>	applicable from 1.1.2018 (2)
<b>Fairtrade staff</b>	the earlier the better, is said from 1.1.2018 onwards. If contract already signed, then valid until end of 2018.  applicable as of 01.01.2018
<b>SPO Latin America</b>	no, it should be faster and apply from January 2018
<b>HL Latin America</b>	should enter into force on 01.January.2018
<b>Trader Latin America</b>	applicable from 1.1.2018
<b>HL Latin America</b>	If your annual audit falls outside those 6 months, you will not be able to review in a practical way the changes.
<b>Other comments</b>	
<b>SPO Latin America</b>	But if the contracts have a duration of one year the question is whether something happens in the second half of the year with which requirement applies, the one that was in force during the signing of the contract or the one that goes into effect after

	6 months
<b>Germany</b>	Especially for point 8.3 Inclusion of floor wages 6 month might not be enough. Please check transition period of flowers and plants standard revision. A lot of research was done here and discussions with farms and traders gave insights of realistic timelines.

### Additional comments by stakeholders

<b>Workshops Latin America</b>	<p>On hazardous materials: The glyphosate product is included in the orange list. It is used in fruit mounds as in wine grapes to control weeds in furrows. Its use is very punctual, controlled and of low impact for the production of fruits. It is also widely used by small producers. Its possible future ban, worries the producers of the SPOs. It is proposed to exclude it from the list for fruit production.</p> <p>In relation to audits, these are focused only on labor, without seeing the integrity of the other pillars of FT, such as environmental and capacity building.</p> <p>Include specific criteria for supermarkets, so that the entire chain has auditable verification and control criteria.</p>
<b>SPO Latin America</b>	<p>HL Land size- In Brazil, this situation would be impossible, since large farmers would only be using their workers to benefit from FAIRTRADE in order to increase their sales, it would not be fair, if this criterion were approved, only believe that fair trade does not think in the small producer, but in the good profitability of the business, and then we will lose the true objective of FAIRTRADE. In Brazil there is a great example of workers who have obtained their own land, and today they are no longer employed as owners of land, and are certified and happy to have had the opportunity to improve their living conditions through FAIRTRADE, we cannot allow the a living laborer submissive to the great farmer the rest of his life, this is not to give dignity to the worker, but to let him be used the rest of his life. Fairtrade can work harder to exploit Brazil's potential for government programs because the Brazilian government supports the worker who wants to have his land to work, there are government programs to finance land for the worker, Fairtrade together with CLAC could seek to carry out this project with the government. (3)</p> <p>Let us hope that the revision does not remain on paper only and that all the actors in the chain can meet the revised requirements and that they are implemented in practice and are a reason for serious and objective control.</p> <p>Size of crop area: Although not considered for all fresh fruits, but if we consider that all fruits should be regulated as a maximum area for the crop. For baby banana we ask that you never certify the plantations, that is to say, that there is no HL, because the market is very limited so it is suggested that a maximum of 5 hectares per producer be considered but to request that it be added or create a variety different from the banana by the production process and yields are lower than the banana this will be evidenced in the study that is carried out. Price review For baby banana Ecuador requested a price revision, we have not been able to review since we started our certification year 2013. Unfair competition There is a new organization that produces baby bananas in the same sector, which sells to the same exporter who buys us the fruit . The risk is very high for us that this new organization can apply to FT that will result in the reduction of the quota that is already limited, as well as the effect of the price per kilogram that does not guarantee that it covers the costs of production; and therefore suggests that organizations should have a minimum of three years' seniority.</p>
<b>SPO Africa</b>	<p>Price review for fresh fruit standard.</p> <p>We have previously commented strongly against the classification of Betacyfluthrin in a red list of the prohibited material list as avocado farms in our region cannot do without this chemical</p>

<b>SPO and Exporter Africa</b>	<p>Orange juice price: It is very difficult to be understood and shall be simplified . processing set ups can be deleted or clearly defined.</p> <p>Quality claims: Shall be generalized to any claim if the quality claim for banana applied for all fresh fruit</p> <p>Price levels definitions: Shall be written on one place especially pricing data base and make reference to these definition in all Fairtrade standards to avoid repetition and difference in meaning. The definition shall be based in international standard to avoid regular review (2)</p>
<b>HL Africa</b>	<p>We need the Specification in Arabic</p> <p>Some of the revisions and additions were necessary and they simplified and clarified a lot of the details in the standards.</p> <p>Please note there was no mention of the fresh fruit price review in the survey. We requested the fresh fruit prices to be reviewed since 2013 already and submitted the completed pricing request form in 2016 to the pricing and standards unit but unfortunately this was not scheduled for 2016. The FT table grapes prices was set in 2005 and production cost have increased considerably by 25%-30% since then. The FT minimum price should cover the average production cost but at present this is not possible.</p>
<b>Trader Africa</b>	<p>Please translate the standard into Arabic and any other updates to be suitable for the Egyptian farmers. also the audit checklist as well.</p> <p>Quality problems and premium prices are important and particular clauses for traders / as we are facing always such problems. Quality not always as expected and clients/buyers pay zero amount. So 50% pre-finance is practically impossible.</p> <p>Fairtrade Minimum Price - Please consider the review for FMP for fresh fruit including wine grapes.</p> <p>Limit on Traders - The number of Fairtrade Traders in the South African wine market is worrying. There are many traders with no or very little alliance with producing farms. Traders have used the FLO ID of Merwida Winery's producing farms unknowingly for tender purposes. The result was that Merwida Winery was disqualified from tenders because it was assumed that is was the same wine. What is the possibility to add to the standards that you can only trade in Fairtrade wine if you are also a certified manufacturer/processor of wine grapes? Other proposals in this regard is also welcome.</p>
<b>PN</b>	<p>Oranges for juice pricing should be simplified because it's really not clear.</p>
<b>Trader Europe</b>	<p>I think that Fair Trade authorities must define a maximum date to close the claims. I mean, when ripener open a claim, then he must close the final amount for this claim within xxx days.</p> <p>In my experience and working with many SPO's in different countries, their Social and economic conditions have tremendously improved. They can even afford to employ workers. In workers have nothing in contrast to the farmers who have assets (land etc). The FLO System does not however cater for the livelihood of these workers working for SPO's. I have twice raised this issue without any follow ups from FLO. Can something be done about this?</p> <p>You need transparency on grower premiums - total sales, total premium, total spend on proper projects</p>