

# **Fairtrade Standard for Oilseeds and Oleaginous Fruit for Small Producer Organizations and Traders**

**Also applicable to Hired Labour for Coconut  
and Contract Production for Rotational Crops**

**Current version: 01.05.2011\_v1.1**

**Supersedes previous version: 16.02.2009**

**Expected date of next review: 2016**

**Contact for comments: [standards@fairtrade.net](mailto:standards@fairtrade.net)**

**For further information and Standards downloads:  
[www.fairtrade.net/standards.html](http://www.fairtrade.net/standards.html)**

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# Table of Contents

- Introduction..... 3
  - How to use this Standard ..... 3
  - Monitoring of Amendments ..... 3
- 1. General Requirements ..... 3
  - 1.1 Certification ..... 4
  - 1.2 Labelling and Packaging ..... 4
  - 1.3 Product Description ..... 4
  - 1.4 Other product requirements ..... 4
- 2. Trade ..... 4
  - 2.1 Traceability ..... 4
  - 2.2 Product Composition..... 4
  - 2.3 Contracts..... 5
- 3. Production..... 5
- 4. Business and Development ..... 5
  - 4.1 Sustaining Trade ..... 5
  - 4.2 Pre-finance..... 5
  - 4.3 Pricing ..... 5

# Introduction

## How to use this Standard

Refer to the Generic Standard for Small Producer Organizations as a separate document as updated by Fairtrade International (FLO) on its website.

Refer to the Fairtrade Standard for Contract Production as a separate document as updated by Fairtrade International (FLO) on its website.

Please note that the Generic Fairtrade Trade Standard also applies. In cases where the product specific standard below differs from the Generic Fairtrade Trade Standard, the requirements presented in this Standard apply.

**Please note that coconuts can also be produced by Hired Labour. In this case, the Generic Hired Labour Standard applies additionally to this product specific Standard.**

In the case of shea tree nuts, the Small Producer Organizations are in fact associations of gatherers/ collectors as this variety of nut is a wild crop that is gathered/ collected and processed. The generic standards for small producers are fully applicable to shea tree nuts associations of gatherers/ collectors. The term small producers is defined to include gatherers / collectors.

## Application

The Product Specific Fairtrade Standards for Small Producer Organizations have been revised according to the New Product Classification (based on the Central Product Classification). The new standards apply from 1 July 2011.

## Monitoring of Amendments

Fairtrade International reserves the right to amend Fairtrade Standards in accordance with Fairtrade International's Standard Operating Procedures ([http://www.fairtrade.net/setting\\_the\\_standards.html](http://www.fairtrade.net/setting_the_standards.html)). Requirements of Fairtrade Standards may be added, deleted, or otherwise modified. Those who have to meet Fairtrade Standards are required to monitor pending and finalized revisions on Fairtrade International's website.

Fairtrade Certification ensures the compliance with Fairtrade Standards. Revision of Fairtrade Standards may lead to a change in the requirements of Fairtrade Certification. Those who wish to be certified or have already undergone certification are required to monitor pending and finalized certification policies and compliance criteria on the certification body's website <http://www.flo-cert.net>.

## Change history

| Version number   | Date of publication | Changes   |
|------------------|---------------------|---|
| 01.05.2011 v 1.0 | 01.05.2011          | New Standards Framework (NSF) changes: (1) reorganization of the standard into 4 chapters |
| 01.05.2011_v1.1  | 01.12.2016          | Inclusion of limited rotational crops under contract production                           |

## 1. General Requirements

## Intent and scope

All operators taking ownership of Fairtrade certified products and/or handling the Fairtrade Price and Premium are audited and certified.

**This chapter applies to the certificate holder.**

This standard covers the purchase and sale of Oilseeds and Oleaginous Fruit, and soybeans fit for human consumption. For cotton and rice producers under contract production in India and Pakistan the standard covers soybeans and sesame when grown as rotational crops.

For the sections under certification and traceability (only), the standard also covers any processed products and derivatives.

The standard also covers its secondary products and their derivatives. The definition of secondary products is included in Annex 1 of the Generic Trade Standard.

A non-exhaustive list of products fitting the secondary products definition is published on the Fairtrade International website.

## 1.1 Certification

There are no additional requirements.

## 1.2 Labelling and Packaging

There are no additional requirements.

## 1.3 Product Description

Fairtrade oilseeds and oleaginous fruits include coconuts, olives and olive oil, soya beans, natural white sesame seed and shea tree nuts which are defined as dried and roasted shea kernels processed into shea butter.

Soybeans are all varieties of soy (*Glycine max*).

**For coconuts secondary products worldwide (except Oceania):** Secondary products of coconuts include the water, the husk and the shell and derivatives of these products.

## 1.4 Other product requirements

**1.4.1** The following quality standards apply to **oilseeds** traded under Fairtrade conditions: Conventional and organic natural white sesame seed must be 99% pure.

## 2. Trade

### Intent and scope

This chapter outlines the requirements that you need to comply with when you sell Fairtrade products.

**This chapter applies to the Fairtrade product.**

### 2.1 Traceability

There are no additional requirements.

### 2.2 Product Composition

There are no additional requirements.

## 2.3 Contracts

**2.3.1 For soybeans:** Contracts between buyers and producers must indicate that accidental and technically unavoidable GMO contamination is tolerated up to levels defined in the applicable national or international regulations, whichever is stricter. Contracts must specify which regulation applies.

## 3. Production

### Intent and scope

This chapter outlines the ethical and sustainable production practices that are behind every Fairtrade product.

**This chapter applies to the Fairtrade product.**

There are no additional requirements.

## 4. Business and Development

### Intent and scope

This chapter outlines the requirements that are unique to Fairtrade and intends to lay the foundations for producer empowerment and development to take place.

**This chapter applies to the certificate holder.**

## 4.1 Sustaining Trade

**4.1.1** Sourcing plans must cover each harvest.

Sourcing plans must be renewed a minimum of three months before they expire.

## 4.2 Pre-finance

**4.2.1** 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 any time after signing the contract. The pre-finance must be made available at least six weeks prior to shipment.

Contract production operators please refer to the Fairtrade Standard for Contract Production on pre-finance.

## 4.3 Pricing

Fairtrade Minimum Prices and Fairtrade Premium levels for Fairtrade products are published separately to the product standards.

**4.3.1 For secondary products:** 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.

Fairtrade International reserves the right to set a Fairtrade Minimum Prices for secondary products and its derivatives in the future.

### 4.3.2 Payment Terms

For purchases made at farm gate or ex works levels, payment must be made upon receipt of the product.

For purchases made at FOB level, payment shall be **net cash** against a full set of documents on first presentation. The documents to be presented will be those stipulated in the contract and customary in

the oilseeds trade.

#### **4.3.3 Late payment**

For contracts involving Fairtrade payers and producers, payment must be made according to the international customary conditions, and no later than 15 days after the receipt of the documents transferring ownership.

For contracts involving Fairtrade payers, producers and conveyors, conveyors must pay producers no later than 15 days after receipt of the payment from the Fairtrade payer.