

The 10 Standards of Fair Trade

WFTO prescribes 10 Standards that Fair Trade Organisations must follow in their day-to-day work and carries out monitoring to ensure these principles are upheld:

Standard One: Creating Opportunities for Economically Disadvantaged Producers

Poverty reduction through trade forms a key part of the organisation's aims. The organisation supports marginalised small producers. It seeks to enable them to move from income insecurity and poverty to economic self-sufficiency and ownership. The trade supports community development. The organisation has a plan of action to carry this out.

Standard Two: Transparency and Accountability

The organisation is transparent in its management and commercial relations. It is accountable to all its stakeholders and respects the sensitivity and confidentiality of commercial information supplied. The organisation finds appropriate, participatory ways to involve employees, members and producers in its decision-making processes. It ensures that relevant information is provided to all its trading partners.

Standard Three: Trading Practices

The organisation trades with concern for the social, economic and environmental well-being of marginalised small producers and does not maximize profit at their expense. It is responsible and professional in meeting its commitments in a timely manner.

The organisation maintains long term relationships based on solidarity, trust and mutual respect that contribute to the promotion and growth of Fair Trade. The organisation works cooperatively with the other Fair Trade Organisations in country and avoids unfair competition. It avoids duplicating the designs or patterns of other organisations without permission.

Standard Four: Payment of a Fair Price

A fair price is one that has been mutually agreed by all through dialogue and participation, which provides fair pay to the producers and can also be sustained by the market. Fair pay means provision of socially acceptable remuneration (in the local context) considered by producers themselves to be fair and which takes into account the principle of equal pay for equal work by women and men.

Standard Five: Child Labour and Forced Labour

The organisation adheres to the UN Convention on the Rights of the Child, and national on the employment of children. They ensure that there is no forced labour in its workforce or homeworkers.

Standard Six: Non Discrimination, Gender Equity and Freedom of Association

The organisation does not discriminate in hiring, remuneration, access to training, promotion, termination or

retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, HIV/Aids status or age.

The organisation provides opportunities for women & men to develop skills & actively promotes applications from women for job vacancies & for leadership positions in the organisation. They take into account the special health & safety needs of pregnant women & breast-feeding mothers. Women fully participate in decisions concerning the use of benefits accruing from the production process. The organisation respects the right of all employees to form and join trade unions of their choice and to bargain collectively. The organisation ensures that representatives of employees are not subject to discrimination in the workplace.

Standard Seven: Working Conditions

The organisation provides a safe & healthy working environment for employees & members. It complies, at a minimum, with national and local laws and ILO conventions on health and safety. Working hours and conditions for employees (and any homeworkers) comply with conditions established by national and local laws and ILO conventions.

Standard Eight: Capacity Building

The organisation seeks to increase positive developmental impacts for small, marginalised producers through Fair Trade. The organisation develops the skills and capabilities of its own employees.

Standard Nine: Promotion of Fair Trade

The organisation raises awareness of the aim of Fair Trade and of the need for greater justice in world trade through Fair Trade. It advocates for the objectives and activities of Fair Trade according to the scope of the organisation. The organisation provides its customers with information about itself and the products it markets. Honest advertising and marketing techniques are always used.

Standard Ten: Environment

Organisations which produce Fair Trade products maximise the use of raw materials from sustainably managed sources in their ranges, buying locally when possible. They use production technologies that seek to reduce energy consumption and where possible use renewable energy technologies that minimise greenhouse gas emissions. They seek to minimise the impact of their waste stream on the environment.

All organisations use recycled or easily biodegradable materials for packing to the extent possible, and goods are dispatched by sea wherever possible.