Introduction to Fair for Life Certification

Presentation by Teresa Blanco, IMO
for „The Characteristics and Potential Synergies of Fair Trade Certification Systems“
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About IMO

- International Certification Body for sustainable products
- One of the first and most experienced certifiers for organic products
- Known for its high quality and acceptance in all markets
- Underlines its approach and service profile by non-profit status
IMO: Your Access to Quality Markets

- ISO 65 accredited
- Over 400 experts worldwide
- Active in more than 90 countries
- Group of IMO offices, representatives and partners in 40 countries
- More than 4,600 certified operations (IMO Group); app. 140,000 smallscale producers
The Fair for Life Social & FairTrade Programme

- Fair trade and social responsibility product certification with annual audits along the chain of custody
- Developed in 2006 by Swiss Bio Foundation. 2011 version after stakeholder consultation
- Builds on baseline standards, complementary to existing schemes
- Adapted to realities and challenges in small/medium size companies in developing/emerging countries
- 2012: 180 producers and handlers certified
IMO’s Social & Fairtrade Certification Activities

Value Certification of private Fair Trade Programmes
For Life - Social Responsibility Certification

- **Core labour rights** as expressed in the ILO conventions e.g. child labour, no discrimination, health & safety etc.
- **Good working conditions**: reasonable working hours, good remuneration, social benefits
- **Producer groups**: transparent organisation, fair relations with farmers
- **Social responsibility** in local community
- **Environmental responsibility**
Fair for Life Social & Fairtrade Certification

- **Good employment practices** (as For Life)
- **Fair relations** between group and producers (as For Life)
- **Social and environmental responsibility** (as For Life)
- **Fair trade practices of all key actors:** fair prices above an agreed floor price, fair trade development premium, long term partnership.
Chain of Custody Overview Fair for Life

Producer Certification

Handler Certification
Scope of Certification *(Who is it for)*

- Smallholder organisations and smallholders contracted by companies or NGO’s;
- Eligible Hired labour farms
- Traders, processors and brand companies (handling operations)

- All types of agricultural products: e.g. herbs, nuts, oils, teas, fruits
- Wild collection products
- Honey/wax production, livestock products
- Cosmetics and beauty products
- Also certifiable: fish, textiles, handicrafts, mining

Many FFL projects are organic, but it is not a pre-requisite. You will be expected to demonstrate sound production practices, though.
Fair for Life Producer Certification

(Module 3 – Producer group)

- Producers involved in key decision, fair relations producers - group
- Good working conditions at all levels (on farms; in processing; group staff)
- Fair Pricing and prompt payment for producers
- Fair trade premium for community projects
- Social responsibility in local community
- Environmental responsibility
Certification for Processing and Artisans groups  
*(Module 5)*

- **Same principles as groups of small producers:**
  - Safe working conditions, Fair trading practices
  - Good working conditions in any central processing unit

**Raw material sourcing:**
- Analysis of raw material sourcing (social & environmental risks)
- Definition of main fair trade beneficiaries
- Local primary producers need to be included to some extent and might need to be covered by the group’s Internal control system (also beneficiaries)
- Industrial suppliers – no certification/audit required but labelling claim may need to be adapted to reflect the fact that raw material production is not of a „fair origin“.
Handler Certification (Module 4)

- Fair Trade Relations to producers
- Fair terms of trade
- “Fair for All” - responsible working conditions for all workers
- Traceability & Labelling
- Fair Trade Communication
## Certification Process

<table>
<thead>
<tr>
<th>Application*</th>
<th>Preparation of Audit</th>
<th>Audit</th>
<th>Certification**</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Client contacts IMO</td>
<td>• Audit is planned, auditor selected by IMO</td>
<td>• Physical visit of all production units</td>
<td>• Certification officer crosschecks and finalizes the report</td>
</tr>
<tr>
<td>• Client provides basic data and information</td>
<td>• Company completes operator profiles</td>
<td>• Review of staff and trade documentation</td>
<td>• Certificate and certification notification is issued</td>
</tr>
<tr>
<td>• IMO provides cost estimate and explains procedures</td>
<td>• Company conducts self-assessment against standard and informs staff</td>
<td>• Interview with workers / farmers</td>
<td>• Final invoice</td>
</tr>
<tr>
<td>• Client pre-pays audit and certification costs</td>
<td></td>
<td>• Discussion of findings and corrective actions</td>
<td>• Receive Certificate and Reports</td>
</tr>
<tr>
<td>• Contract is signed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* It is recommended to apply 3 months prior to the desired audit date. Emergency timelines 2-6 weeks, can cause increase cost to applicant or supplier, if applicable.
Frequency of audits

Standard procedure:

- Once per calendar year
- Additionally: unannounced spot checks or additional audits

NEW: After at least 3 years, and only in case of long-term excellent performance
physical audit every 2 years (+ updating desk review in between)
Costs of Certification (1)

- IMO charges only effective time required for audit and certification, plus a certification fee
- Daily rates vary, depending on country and audit / inspector requirements
- Costs for certification are individually estimated for each certified operation (annual certification budget)

Usually, combined audits are possible, e.g. Organic & FairTrade

If you have many different suppliers, we can provide a rough cost estimate overview for all your supply chains before detailing out individual budgets

There is NO license fee
Costs of Certification (2)

Depends mainly of time necessary for auditors to conduct the audit. e.g. In Latin America it can varies from:

One big Farmers group with 2000 members and no hired labour:
- 12 days for the audit*
- 1-1,5 day ICS verification
- 1 day traceability and FT issues
- 2 days for reports
- 1 day for evaluation
+ the certification fee
Total aprox. 6.500.- $US / year

(approx. 3,2 $US per farmer)

One medium Plantation with 3 farms and 750 workers (hired labour):
- 4 to 5 days for the audit*
- 1,5 days for reports
- 0,5-1 day traceability and FT issues
- 1 day for evaluation
+ the certification fee
Total aprox. 3.800.- to 4000.- $US / year

*Audit time includes: initial and final meeting, interviews, verification of working/farming conditions and verification of the registration system

(+ Total invoice includes real expenses, not yet included in this examples)
Certification claims Fair for Life

- Fair for Life Certified products may be labelled as fair trade certified (*with or without use of the Fair for Life seal*)

- Products made with specified Fair for Life ingredients (*lower fair trade content, at least 20%*) may only use the seal on the back product label

- Certified company can advertise to be Fair for Life certified in all external communication

*Note: Certified products must originate from fair trade certified production and handled by registered or certified fair trade handlers*

Similar Labelling rules for For Life – Social Responsibility certified products
Key Features of the Fair for Life System

- **Rating system and transparency**
  strict minimum requirements, encourages companies to work the beyond minimum.

- **Generic programme; wide range of products**

- **For all types of FairTrade oriented producers and handlers world-wide**

- **Fair for all – also for workers in North**

- **Audit & certification costs. No license fee**

- **Certification programme, no brand**

- **Accepts other fair trade certifications**
**Certified Operations on fairforlife.org**

**Fair Trade Certification**

**Certified Operations**

<table>
<thead>
<tr>
<th>Certified Operator</th>
<th>Alaffia Agbanga Karis SARL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Place, Country</td>
<td>Sokode, Togo</td>
</tr>
<tr>
<td>Contact</td>
<td><a href="http://www.alaffia.com">www.alaffia.com</a></td>
</tr>
<tr>
<td>Type of Operation</td>
<td>FairTrade Processor and Wild Collector</td>
</tr>
<tr>
<td>Details on Operation</td>
<td>Women cooperative producing Shea Butter</td>
</tr>
<tr>
<td>Certified Products</td>
<td>Crude Shea Butter</td>
</tr>
<tr>
<td>Certification Programme</td>
<td>IMO Social &amp; FairTrade Certification</td>
</tr>
</tbody>
</table>

### Social Issues (Hired Labour)

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Content of the IMO Social &amp; FairTrade Programme</th>
<th>Rating</th>
<th>Norm</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1.1</td>
<td>No Forced Labour</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>2.1.2</td>
<td>Freedom of Association and Right to Collective Bargaining</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>2.1.3</td>
<td>No Child Labour</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>2.1.4</td>
<td>Transparent and Human Disciplinary Practices</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>2.1.5</td>
<td>Equal Treatment and Opportunities</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>2.1.6</td>
<td>Health and Safety</td>
<td>35</td>
<td>48</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Contracts &amp; Good Relation between Employer and Workforce</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Wages</td>
<td>24</td>
<td>20</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Working Hours</td>
<td>26</td>
<td>20</td>
</tr>
<tr>
<td>2.2.4</td>
<td>Social Benefits</td>
<td>17</td>
<td>14</td>
</tr>
<tr>
<td>2.2.5</td>
<td>Equal Treatment of Different Labour Types</td>
<td>19</td>
<td>14</td>
</tr>
</tbody>
</table>

**Total Score Social Issues (Hired Labour)**

**209**

**Minimum Points for Certification Social Issues (Hired Labour)**

**167**

**Total Score FairTrade Issues**

**41**

**Minimum Points for Certification FairTrade Issues**

**36**

**Points Reached Last Year (FairTrade Issues)**

- **41**

### Environmental Issues

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Content of the IMO Environmental Programme</th>
<th>Rating</th>
<th>Norm</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3.1</td>
<td>Water Conservation</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>2.3.2</td>
<td>Energy Management and Climate</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>2.3.3</td>
<td>Ecosystem Management</td>
<td>16</td>
<td>12</td>
</tr>
<tr>
<td>2.3.4</td>
<td>Waste Management</td>
<td>7</td>
<td>6</td>
</tr>
</tbody>
</table>

**Total Score Environmental Issues**

**44**

**Minimum Points for Certification Environmental Issues**

**25**

**Points Reached Last Year (Environmental Issues)**

- **25**

### Social Impact

**Social Impact & Special Achievements**

The operator actively supports both the members of the women cooperative as well as communities in the project area. There are several social projects realised by the operator, such as supply of school uniforms, books, pens, maths sets, roofing of a school building, afforestation projects, paying of hospital bills for pregnant women etc.

**Use of FairTrade Premium**

n/a. first year of certification

**Date of Certification**

First: 13.11.2009

Last Update: 13.11.2009

[Back to Overview Certified Operators]
FFL Programme: Recognition of other schemes (1)

Fair Trade
• Ecocert Fair Trade (mutual; t.b.c.)
• Soil Association Ethical Trade (mutual)
• FLO Certification (not mutual)
• Fairtrade USA (trader certification; not mutual)
• Others (individual check)

Social Responsibility
• FLO Certification (not mutual)
• Soil Association Ethical Trade (mutual)
• SA 8000 (not mutual)
• UTZ Certified (not mutual)
• Rainforest Alliance (not mutual)
• Others (individual check)
FFL Programme: Recognition of other schemes (2)

Mutual recognition:
- Aiming to improve the possibilities of producer to access to different markets / buyers to different suppliers
- Always decided after medium term good/close

Eg: mutual recognition between FFL and ECOCERT allows i.e.
- Discuss critical issues of the standard (as basis for mutual equivalency, incl. possibilities to develop a joint baseline standard?)
- Develop jointly used working tools
- Collaborate for developing training material, to promote Fair trade in general

Others:
- Collaboration with other schemes already from organic experience
- Agreements on specific issues: e.g. MoU with FTUSA
- Informal discussions / exchange on selected issues as needed
- Collaboration with NGOs
Thank you for your attention

www.fairforlife.org
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