

Sustainable Fair Trade Management - WFTO



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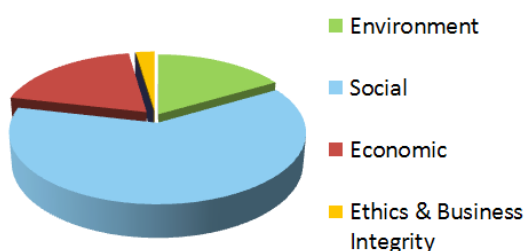
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FACTS & FIGURES

- WFTO represents +450 Fair Trade Organizations from more than 75 countries in five regions
- WFTO touches 110 million farmers, artisans and retailers and represents \$2.2billion in Fair Trade sales

FOCUS ON SUSTAINABILITY ISSUES



Disclaimer: the graph was generated using the proportion of the sustainability initiative's requirements matching the criteria used in Standards Map Database in consultation with standard organizations.

WHAT IS SUSTAINABLE FAIR TRADE MANAGEMENT - WFTO?

SFTMS standard is an affordable certification system designed for marginalised farmers, producers and artisans to improve their market access and to allow them to trade locally. The standard follows the 10 Principles of Fair Trade for organization.

WHO CAN JOIN?

The initiative is open to all stakeholders.

WHAT PRODUCTS ARE COVERED?

No particular product or industry scope.

WHAT ARE THE KEY FEATURES?

▶ The SFTMS is based on 10 key principles prescribed and monitored by WFTO:

1. Creating opportunities for economically disadvantaged producers.
2. Transparency and accountability of management and commercial relations.
3. Trading practices hinged on concern for the socioeconomic and environmental well-being of marginalized small producers.
4. Payment of a fair price i.e. socially acceptable remuneration in the local or regional context with Fair Trade pricing as a minimum.
5. Disclosed and monitored use of child labour and prohibition of forced labour.
6. Non-discrimination hiring systems, gender equity and freedom of association.
7. Safe health and working environment with minimum compliance with ILO conventions, national and local laws.
8. Development of skills and capabilities of employees or members towards capacity building.
9. Promotion of Fair Trade.
10. Better environmental practices and application of responsible methods of production.

AUDIT INFORMATION

- ▶ **1st, 2nd, 3rd party certification:**
First-party audit is required (self assessment).
- ▶ **Frequency of audits:**
Other.
- ▶ **Review process:**
- ▶ **Validity of audit certificate:**
Three years

WHAT KIND OF CRITERIA ARE USED FOR THE ASSESSMENT?

Not applicable.

ARE THE PRODUCTS TRACEABLE ALONG THE SUPPLY CHAIN?

Please see provision 1.1 and 5.2 of the SFTMS Version 2.

▶ **Chain of Custody standard**

Not a separate standard but a separate policy for WFTO The Code of Practice. The code of practice contains the provisions on member organization to comply this aspect.

DOES THE INITIATIVE HARMONISE WITH OTHER STANDARDS?

▶ **Capacity building and outreach:**

No

USE OF LOGO ON THE FINAL PRODUCT?

▶ **No:**

WHAT KIND OF SUPPORT IS PROVIDED?

WFTO's strength lies in its network of producers and associations. It offers global and regional conferences focused on networking, capacity building and discussion forums. WFTO members also have access to the Shared Interest Clearing House program and other support and business services.

HOW MUCH DOES IT COST?

▶ **Membership fee:**

The annual WFTO Membership Fee is based on the annual turnover; according to membership type. Fees must be made in Euros. WFTO distinguishes the following membership types: Fair Trade Organization (trading), Fair Trade Networks, Fair Trade Support Organizations and Associate Membership.

▶ **Certification costs:**

Not applicable.

GEOGRAPHIC SCOPE

Africa: Botswana, Burkina Faso, Cameroon, Egypt, Ethiopia, Ghana, Kenya, Mauritius, Namibia, Nigeria, Rwanda, Senegal, South Africa, Swaziland, Uganda, United Republic of Tanzania, Zimbabwe **Asia:** Bangladesh, Cambodia, China, Democratic People's Republic of Korea, Hong Kong China, India, Indonesia, Lao People's Democratic Republic, Nepal,

Pakistan, Philippines, Sri Lanka, Thailand, Timor-Leste, Viet Nam, **Europe:** Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Italy, Malta, Netherlands, Poland, Spain, Sweden, Switzerland, United Kingdom, **Central America:** Costa Rica, Guatemala, Honduras, **North America:** Canada, Mexico, United States of America, **South America:** Argentina, Bolivia, Brazil, Chile, Colombia, Paraguay, Peru, Uruguay, **Australia & Oceania:** Australia, Papua New Guinea



WFTO operates in over 73 countries across 5 regions: Africa, Asia, Europe, Latin America, and North American and the Pacific Rim. It is open to all Fair Trade organizations.

Source: AFRICA - http://www.cofa.org/en/en/members_listing.asp ASIA - <http://wfto-asia.com/wftoasia/wherewework/> LATIN AMERICA - http://www.wfto-la.org/index.php?option=com_content&view=article&id=48%3Anuestros-miembros-&catid=2&Itemid=6&lang=en EUROPE - <http://www.wfto-europe.org/lang-en/wfto-europe/europe-members.html> PACIFIC - <http://www.wfto-pacific.com/members/index.htm>

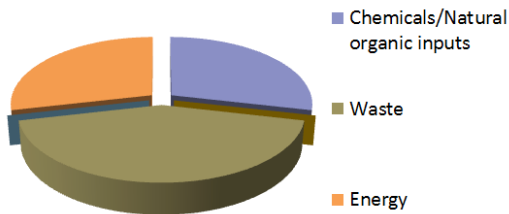
STEPS TO JOIN THE INITIATIVE:

1. Provisional Members may submit their first Self-Assessment Report (SAR) as soon as they have paid your first membership fees. However, you have up to two years to submit the first SAR.
2. Basic Quality check by WFTO: does the SAR follow the guidelines and are all the sections meaningfully completed.
3. It will be reviewed by the registration Sub-Committee.
4. A recommendation, either positive or negative is made by the registration Sub-Committee.
5. If the recommendation is positive, the decision will be ratified by the WFTO secretariat and the organization will be informed. The WFTO Secretariat will also send you a contract for the use of the WFTO Mark. When this contract is signed and returned you will receive a certificate and the manual for the use of the WFTO Mark. At that moment you are a registered member.
6. If the recommendation is negative, a letter will be sent. It will explain the ground for this decision. If the problem is related with quality of the information provided, your organization has the chance to send an improved SAR.

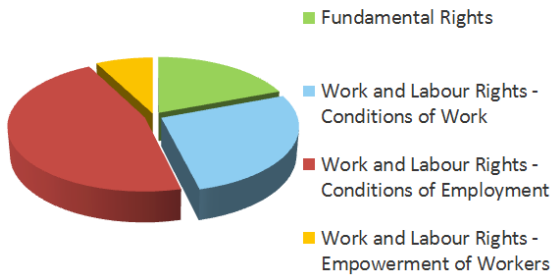
OVERVIEW OF REQUIREMENTS*:

EXPLANATION:

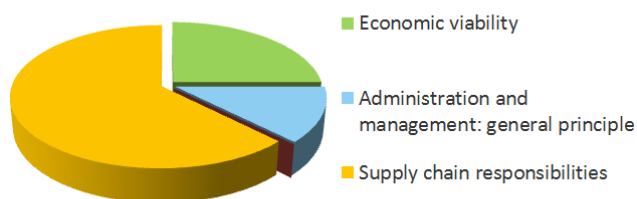
ENVIRONMENTAL REQUIREMENTS



SOCIAL REQUIREMENTS



ECONOMIC REQUIREMENTS



* based on criteria used in Standards Map. Access Standards Map's Analysis Module to review specific details on upto 250 sustainability requirement for each of the standards.

▶ **Short term:**

For organization to meet the minimum requirements of the SFTMS, the organization must comply the provisions 5.1 to 8.2 of the SFTMS standard. After approval, the organization is required to conduct annual internal audit to monitor their own progress.

▶ **Medium term:**

Upon meeting the minimum requirements, feedbacks on items to be complied/improved are given to the organization. The specified items will be complied within three-year period. After three years, the organization must submit a Fair Trade report to show their continued compliance and improvements. This Fair Trade Report will be verified through an independent external verification. See provision 8.

▶ **Long term:**

After three years of approval of the Fair Trade report, certified organizations are required to submit another Fair Trade report of their continued compliance and on the improvements they made on items specified from the results of the external independent verification. This is a continuous process, and considered as a long term requirement.

▶ **Recommendation:**

It is implied (very much recommended) that every certified organization must excel in their compliance and performance, and set a higher standard that could be a good lesson and basis to improve the SFTMS standard.

FURTHER INFORMATION

Standards Map is a web-based interactive tool that centralises, organises and disseminates information on over 100 voluntary sustainability standards. Standards Map is part of the International Trade Centre's web-based [Market Analysis Tools](#).

More detailed information on the specific requirements of the sustainability initiative can be reviewed: standardsmap.org.