



Frequently Asked Questions

on the Agricultural Production Standard (APS)

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Fair Trade USA

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1. What Does the Agricultural Production Standard (APS) Cover and to Whom Does it Apply?

The APS is a single standard that incorporates and replaces Fair Trade USA's previous Standards that apply to producers, or groups of producers, of agricultural products. This includes the Farmworker, Independent Smallholder and Small Producer Organization Standards. The principal themes included in the APS are consistent with our prior standards—our core values have not changed. Through the implementation of the APS, Fair Trade USA aims to create positive, lasting change in four focal impact areas:

- Income Sustainability
- Community and Individual Well-Being
- Empowerment
- Environmental Stewardship

Please visit Fair Trade USA's [website](#) for more information on our mission and values as well as our [Theory of Change](#).

The APS was developed to be a truly global standard, applicable across a wide variety of producer types and geographic regions. It covers all agricultural production certified by Fair Trade USA anywhere in the world, including any newer geographic regions such as the United States. All existing producer groups (not including producer groups certified by FLO-Cert) will be required to transition to the APS within one year of publishing (see below for more details on transition requirements).

The APS does not directly affect Fair Trade USA's other Standards and policies, including the Apparel and Home Goods Standard, Capture Fisheries Standard, Trade Standard, or Labeling, Pricing, and Premium policies. However, these other Fair Trade Standards may be updated at a later time to reflect lessons learned through the APS revision process.

2. Why Did You Update Your Standard for Agriculture?

Fair Trade USA regularly updates all of our standards in order to drive increased benefit and impact to Fair Trade Certified™ supply chains. Following the [ISEAL Code of Good Practices](#), it is best practice in the sustainability standards community to revisit and revise a standard every 3-5 years, to ensure continued relevance and effectiveness in meeting its stated objectives. Updating our Standards allows us to better enable sustainable livelihoods for producers and workers while creating value for businesses and consumers.

3. How Was the APS Developed and How Were Stakeholders Involved?

The APS was developed through a multi-phased, rigorous and transparent review and revision process, which included extensive consultation on two draft versions of the APS. Over the course of its development, we received feedback from more than 100 companies and organizations, including producer groups representing both smallholders and large growers, labor experts, trade unions, NGOs and fair trade movement organizations, buyers and brands. Additional direct input from farm workers and smallholders was collected through 10 regional workshops, and real-time implementation of the draft standard assessed through 13 field tests with diverse producer groups. Fair Trade USA also hosted an international Stakeholder Summit with participants from 14 different countries to workshop the APS and problem solve around key issue areas identified in the first phase of feedback. The Summit included 27 producers representing a diversity of farm sizes and product categories, 13



brands, buyers and traders, and 9 non-governmental organizations. We feel honored that so many individuals provided thoughtful feedback over the course of this process. Through the online public comment period alone, which ran from July through August, we received over 700 individual comments which were considered during the finalization of the APS.

All feedback received was considered in detail during the course of the revision and finalization of the APS. Summaries of feedback from each phase of consultation, and Fair Trade USA's responses to that feedback are available on our [website](#) in English and Spanish.

We also received guidance and support from expert advisors and the Fair Trade USA Board. The APS was unanimously approved by the full Fair Trade USA Board on November 3, 2016 upon the recommendation of the APS Task Force, a representative group comprised of experts in labor, smallholder production, and certification from Fair Trade USA's Board and Advisory Council.

We thank all those who participated in helping us to improve our Standards. This extensive participatory process has been key to building a strong final APS that improves and builds upon Fair Trade USA's previous standards, and consolidates them into one globally applicable certification model that is not only clearer for producers, but will drive greater impact to everyone in the supply chain.

You can find more information about the process we use to write and revise all our standards in our Standard Development and Revision Procedure, available on our website. This process follows the [ISEAL Code of Good Practice](#) for Setting Social and Environmental Standards.

4. What Has Improved in the APS Compared to Your Previous Standards?

During the Standard update and revision process, we focused on addressing key areas flagged by producers, workers, auditors, Fair Trade staff and other supply chain actors as needing improvement in our prior Standards. These included common difficulties in interpreting and implementing standards at the farm level as well as areas that were not effectively leading to the desired outcomes. Through the revision, we sought for the APS to bring benefit to all farmers and workers in the certified production systems from the time of initial certification, while remaining true to our historical belief that sustainability is a journey. Our goals and objectives in the APS are similar to our prior Standards, and many of our requirements have been carried over into the APS, but we have also made improvements that will bring more benefit to farmers and workers in the Fair Trade USA system.

More specifically, some of the changes we've made include:

- **Clearer Compliance Criteria and Integrated Guidance** – We've written the APS to streamline and clarify requirements in order to make them easier to understand and audit. Wherever possible, compliance criteria in the APS are less method-prescriptive, and more outcome-focused. We also incorporated additional guidance into the APS itself in order to ensure that the intent of each criterion is clear to those who need to implement and audit them.
- **Consolidating Requirements while Differentiating by Size** – The core elements of Fair Trade have been always the same across all of the producers, workers, and farms that Fair Trade USA works with. Unfortunately, this was not immediately obvious in our previous system, where we had different Standards for different type of producer set-ups (e.g. Small Producer Organizations vs Independent Smallholders vs an estate). With the APS, one core Standard applies to all producers and producer groups, with expectations of compliance varying according to the size of the operation and number and type of workers. By consolidating our Standards, the APS creates one consistent set of requirements for all producers, including mixed



set-ups encompassing different size suppliers in one group, while recognizing some farms have less capacity or access to resources, as well as different risk factors.

- **New Standard Structure and Format** – In addition to consolidating into a single Standard, the format of the APS looks quite different than our prior Standards.
 - The APS is organized into six thematic modules addressing different aspects of production, farm and facility management, and group administration. The theme of each module and the sub-modules within them reflect the core values of Fair Trade USA, which have not changed.
 - Within each sub-module, there are multiple principle-based objectives, each of which has one or more associated requirements specified in compliance criteria and associated intent and clarification guidelines. The types of criterion we have in the APS are different than in our prior Standards.
 - For each size of farm and facility, each compliance criterion is noted to be either “C (critical)”, “P (Progress)” or “BP (Best Practice)”. For some of the criteria that apply at the level of the farm or facility, the classification of the criteria as C, P, or BP may vary depending on the size of the site.
- **More Flexibility in Improvement Pathways** – While both the APS and our previous Standards require certified producers demonstrate continuous improvement, the APS is less prescriptive about the pathway. In the APS there are still minimum core requirements that must be met immediately, but we also introduced the concept of Progress criteria, which producers can implement in the order that makes most sense for their circumstances. This allows producers the flexibility to prioritize the Progress criteria that would drive the most immediate benefit and to implement others later in their Fair Trade journey while eventually meeting the same end goals over time. Although there is more flexibility in the pathway, progress is still required on a designated timeframe and, just as is the case today, producers must meet all requirements by Year Six of certification. For more information on the types of compliance criteria and the Progress system, see the Score System Guide for the Agricultural Production Standard available on our [website](#).
- **Greater Inclusion and Clarified Scope of Fair Trade Premium Participants** – Premium Participants are a group of farmers, workers, and/or cooperative members who are eligible to elect one or more Fair Trade Committees to manage the use of the Fair Trade Premium. Premium Participants and their families are the primary direct beneficiaries of the Premium. The people included in this group vary according to the type of setup and size of the farms within that setup. The APS includes clearer guidelines related to who must be included as Premium Participants and who may optionally be included at the discretion of the Certificate Holder. More workers are now included in the scope of the Premium Participants, including all workers on Mid-sized Farms and Facilities, as well as permanent workers on Small Farms and Facilities, and Small Farm managers even if they are not landholders, for instance sharecroppers.
- **Improved Approach to Premium Spending and Management** – The Fair Trade Premium is a unique attribute of the Fair Trade model. We clarified and adapted timelines and requirements related to the formation of Fair Trade Committee (who manages the Premium), the Needs Assessment (which guides Premium spending), and the Premium Spending safeguards and rules. Through this updated approach, we seek to ensure that Premium is used to best address the individual and collective needs of the Premium Participants and that the processes and communication systems related to Premium management facilitate strong and positive relationships among Premium Participants and the Certificate Holder.



- **Stronger Standards For Migrant Workers** – The APS introduces new and updated requirements related to fair recruitment of migrant workers and the use of labor contractors.
- **Solidified Protections for Workers On Mid-sized Farms and Facilities** – Depending on which Standard they were certified against, workers on Mid-sized Farms and Facilities had different, and sometimes limited protections. The APS now has the same requirements for all Mid-sized sites, meaning that farmers and workers on Mid-sized Farms and Facilities enjoy the same strong protections.
- **Strengthened Internal Management System and Group Management** – The requirements for an Internal Management System and risk assessment are more detailed. Certificate Holders will have more responsibility for checking compliance, doing internal inspections, and understanding the supply chain and group members. This improved system will facilitate compliance and continuous improvement, and better management of groups.
- **Additional Farm and Business Management Support for Small Producers** – The APS includes updated requirements to ensure that small producers receive the support they need to improve their livelihoods through improved farm management, financial literacy, and business practices.

5. How Will the APS Affect FLO and FTUSA-Certified Producers?

Fair Trade USA will continue to accept producers who are certified by FLO-Cert against FLO Standards. These groups are not required to transition to the APS, and may continue with business as usual.

New and existing producers certified by Fair Trade USA approved certification bodies under Fair Trade USA Standards for agricultural production will be required to transition to certification against the APS.

6. When Does the APS Go into Effect and How Can I Learn More About the Transition Process?

The APS will go into effect 60 days after the publication of the Standard, on March 1st, 2017, at which time all audits will be conducted against the requirements of the APS. We understand that time is needed to comply with requirements that are new or more rigorous in the APS than in our previous Standards. A transition period of one year from publication of the APS will be allowed for new requirements. This transition process does not change the overall audit process, and for Certificate Holders who are currently certified under the previous Standards, their certification cycle continues to progress. For example, this means that if a Certificate Holder's last audit was in September of 2016 against Year 2 of the Farm Workers Standard, with the transition to the APS, this Certificate Holder's next audit will be in September 2017 against Year 3 of the APS. For further details, please consult the [Transition Policy](#) published on Fair Trade USA's website.

7. How Does the APS Compare to FLO's Standards?

The intent and objectives of Fair Trade USA and FLO remain similar as we work towards a common goal of improving the lives of farmers and workers around the globe. Both certification systems cover social, economic and environmental issues. Although we sometimes take different approaches to reach the same end, at their core, they remain similar.



8. Will the APS Affect the Amount of Premium Business Partners Pay and the Fair Trade Minimum Price?

The APS does not change the amount of Premium brand partners pay or Producers receive, nor does it change any set minimum prices. Fair Trade Premiums and Minimum Price amounts are set and revised in separate processes, and they are updated on an as-needed basis.

