



Standards Development & Revision Procedure

Fair Trade USA

Version 2.2.0

A. Introduction

Fair Trade USA is committed to following best practices in developing and revising its Standards, including:

- Defining the objectives of the Standard and justifying the need for its development or revision;
- Identifying directly and indirectly affected stakeholders and providing them with information about the Standard development/revision process and how they can participate;
- Holding public consultations and ensuring that there is a balance of interests of participating stakeholders;
- Providing a variety of opportunities and tools for stakeholders to participate, such as teleconferences, meetings, and webinars;
- Ensuring a variety of opinions are given equal weight and providing for balanced decision-making;
- Making Standards and supporting documents publicly available and reviewing our Standards on a regular basis.

This document outlines the process we will use to develop and revise our Standards, keeping the above best practices in mind.

B. Objective

The objective of this procedure is to ensure a transparent and equitable standards-setting process which allows ample opportunity for stakeholder engagement, in line with the ISEAL Code of Good Practice for Setting Social and Environmental Standards.

C. Scope

This procedure applies to the development and revision of all existing and future Fair Trade USA Standards, across all product types and categories. This procedure does not apply to the development or revision of Fair Trade USA policies, for example those related to certification, pricing, or labeling.

1. Steps for Developing Standards

1.1. Initiating a Standards Review

1.1.1. Fair Trade USA may internally initiate the review or development of a Standard, or it may be requested at any time by any stakeholder by writing to standards@fairtradeusa.org.

1.1.2. All Standards undergo a major revision at least every five years. Decisions on exact timing are determined through the annual organizational operational planning process.

1.1.3. The Fair Trade USA Standards and Implementation Resources Team will evaluate all external requests for revision or development of a Standard, and Fair Trade USA's Executive team will decide if the



request requires the development of a new Standard or if a major or minor revision to an existing Standard is required.

1.1.4. The drafting process is led by the Standards and Implementation Resources Team at Fair Trade USA. During the drafting process, key experts and stakeholders, including Conformity Assessment Bodies, may be consulted for advice.

1.1.5. The annual work plan will list all Standards development, major and minor revisions to occur throughout the year and is available on Fair Trade USA's website. At the beginning of a Standards development or major revision process the Project Plan will be made public on the website.

1.2. Project Plans

1.2.1. For all new Standards development and for any major revisions to existing Standards, Fair Trade USA will develop a unique Project Plan to document the process which includes:

- The objective and rationale of the need for the new Standard or revision;
- A summary of the activities and steps to be taken, with an approximate timeline;
- Decision-making procedures and who is responsible for decision-making; and,
- Contact information for how to contribute to the consultation process.

1.2.2. Project Plans for Fair Trade USA Standards are made publicly available on the Fair Trade USA website at the beginning of the Standard revision or development process. Any interested party may comment on and suggest changes to the Project Plan.

1.2.3. At the onset of the development of any new Standard, Fair Trade USA will inform and seek input on the public Project Plan from organizations that have developed similar international standards.

1.2.4. For major revisions of existing Standards which have undergone a minor revision, the publicly available Project Plan will include a summary of the changes that were made during the minor revision.

1.3. Advisory Committee

1.3.1. For certain revisions and/or new Standards development, Fair Trade USA may create an Advisory Committee consisting of external stakeholders with expertise in the relevant product category or industry.

1.3.2. Advisory Committees may assist in the Standard drafting process, analysis of feedback received during public consultation, and/or field testing phases of the project. Roles and responsibilities of the Advisory Committee will be outlined in the Project Plan wherever relevant.

1.4. Revision Types

1.4.1. There are four types of Standards revision at Fair Trade USA; minor, major, urgent, and new Standards development. The revision type dictates the process that is followed for public consultation and content approval.

1.4.2. Minor revisions include, but are not limited to, improving or clarifying language, correcting typing or grammatical errors, updating references to other standards where these have changed, or allowing for a change in the scope of products eligible for the Standard. Minor revisions do not require a significant change in practice of the Certificate Holder.

1.4.3. Fair Trade USA may make minor revisions to Standards at its discretion, without conducting stakeholder consultation.

1.4.4. Fair Trade USA's Chief Impact Officer approves any minor revisions.

1.4.5. Major revisions are modifications of a Standard that significantly change the intent and are substantive in nature. Major revisions typically require a change in practice by the Certificate Holder.



1.4.6. Major revisions require stakeholder consultation and content approval as described in this procedure.

1.4.7. Any five-year review of an existing Standard is considered a major review.

1.4.8. An urgent substantive revision may take place in-between the regular revision cycle as deemed necessary by the Chief Impact Officer or the Head of Standards and Implementation Resources. Such an urgent substantive revision may be triggered if:

- Fair Trade USA or external stakeholders have identified a significant risk area or gap in current Standard requirements;
 - Fair Trade USA receives an application for a new region or supply chain with significantly different issues;
 - a significant mis-alignment with Fair Trade USA organizational strategy or impact goals is identified; or
 - other situations arise which necessitate a change in practice by Certificate Holders; and
- the urgent substantive changes deemed necessary are of limited scope (i.e. confined to a specific topic or issue area), such that a major revision of the full Standard is not required.

1.4.8.1. The steps to undertake an urgent substantive revision are as follows:

- Outreach to limited targeted stakeholders and relevant experts;
- Incorporate changes in to a new draft of the standard, informed by the targeted stakeholder feedback;
- Develop transition policy where necessary to inform compliance;
- Approval of the proposed changes by the Standards Committee; and
- Publication and communication (see Section 1.9).

1.4.8.2. Any changes made as part of the urgent substantive revision will be flagged in the next major revision to ensure an opportunity for full public consultation on the changes.

1.4.9. All new Standards development follows the process required of major revisions for both stakeholder consultation and content approval.

1.5. Stakeholder Identification

1.5.1. Stakeholders are continuously identified in several ways, including research and tracking of similar initiatives operating in the same space, connections, and exposure at conferences.

1.5.1.1. Core stakeholder groups include those directly and indirectly affected by the Standard, for example: producers, industry partners, NGOs, workers, traders, retailers, and external experts such as producer support organizations.

1.5.1.2. Care is taken to specifically identify stakeholder groups that are not adequately represented, and proactively seek their contributions. This includes addressing constraints faced by disadvantaged stakeholders.

1.5.2. The Fair Trade USA Standards and Implementation Resources Team develops and/or updates a list of stakeholders relevant to the Standards' scope and its social, environmental and economic outcomes. This list will guide outreach to stakeholders to ensure representative participation.

1.5.3. A Stakeholder Identification Template is used in conjunction with our internal stakeholder management database, to identify and track relevant stakeholders, both to identify stakeholder groups which need to be targeted (including the distribution of important stakeholder groups and those which may



need special engagement), and to consolidate and track the final list of all stakeholders engaged and how they were consulted.

1.5.3.1. Once this list is consolidated into the template, the Standards team will determine whether or not a sufficient landscape of stakeholders is represented by ensuring that there is balanced representation between each stakeholder group (producers, industry partners, NGOs, workers, traders, retailers, and external experts such as producer support organizations, etc.). If there is insufficient representation, the Standards team will conduct additional research and outreach to identify fill any gaps in stakeholder coverage.

1.6. Public Consultation

1.6.1. Either the Chief Impact Officer or the Executive team is responsible for approving the first draft of the Standard for public consultation. The party responsible for approving public drafts will be identified in the relevant Project Plan.

1.6.2. Once a draft has been approved for public consultation, Fair Trade USA will publish the draft Standard on the website and actively solicit feedback from stakeholders. Feedback may be collected via teleconferences, meetings, personal conversations, webinars, written submissions, and field tests. All steps, activities and tools that are used as part of the public consultation process will be planned and recorded as part of an internal Stakeholder Consultation Workplan.

1.6.3. The public consultation period for new standards development or major revision of existing standards includes at least 60 days for comment submissions by stakeholders.

1.6.4. For new Standards development a second round of consultation of at least 30 days is included.

1.6.5. For existing Standards undergoing major revision, a second round of consultation of at least 30 days may occur, as needed.

1.6.6. If feedback is not received from all core stakeholder groups, a special effort will be made to contact these groups to solicit feedback.

1.6.7. Where substantive, unresolved issues persist after the consultation round(s), or where insufficient feedback was received, Fair Trade USA carries out additional rounds of consultation, as necessary.

1.7. Analysis of Feedback

1.7.1. All feedback received during the consultation period will be compiled, analyzed and discussed internally at Fair Trade USA. Feedback will also be discussed with the Advisory Committee, when applicable.

1.7.2. All comments will be taken into account and considered on an objective and equitable basis.

1.7.3. For each draft as well as the final version of the Standard, a public summary of the comments received during the previous consultation round, and how they were taken into account, will be made available on the Fair Trade USA website.

1.7.4. The feedback summary will be shared directly with those that submitted comments.

1.7.5. Feedback from any one round of consultation may be considered for subsequent standard reviews and revisions.

1.8. Decision-Making

1.8.1. The Fair Trade USA Standards Committee is responsible for approving the final content of all new standards and all major standard revisions.

1.8.2. The Head of Standards and Implementation Resources will present each final draft standard to the Standards Committee for their approval of all content.



1.8.3. Once the Committee has approved the content of the standard, the standard will go to the FTUSA Executive team for review of adherence to process and implementation.

1.8.4. The Executive team will then review adherence to the processes defined in this procedure and issue final approval of any major standard revision or new standard after confirming the standards setting procedure was followed. It is the Executive team's final approval that brings the standards development and revision process to a close.

1.8.5. Decision-making on Standard content is reached by consensus whenever possible. Should the committee be unable to reach consensus, a supermajority vote of at least 75% is required for a decision to pass in order to ensure that no one stakeholder group can control decision making.

1.9. Publication

1.9.1. Each time a standard is published it will include Fair Trade USA's most up-to-date contact information. Any change to contact information will be amended in the published standards promptly.

1.9.2. Any new standard or major revision of a standard that has been approved by the Standards Committee will be published promptly.

1.9.3. The publication of an approved new standard or major revision of a standard will be announced to all stakeholders on the date of publication via direct email, an announcement on Fair Trade USA's website, and additional outreach opportunities when available.

1.10. Revisions to This Procedure

1.10.1. This procedure will be regularly reviewed, meaning a review of the procedure will be conducted at least every five years or before the next major review of a Standard, whichever comes sooner. Interested parties may provide feedback on this procedure and suggestions for improvement by writing to standards@fairtradeusa.org.

