

## Licensing - Standard Operating Procedure

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## **1. Purpose of this Document**

The purpose of this document is to describe how applications, evaluations, and licensing decisions under the Fairtrade Standards and Fairtrade Mark Guidelines are handled for Fairtrade licensees.

## **2. Applicability**

This Standard Operating Procedure applies to all Fairtrade Ireland staff engaged in Licensing.

Fairtrade Ireland’s policies and procedures are non-discriminatory. Procedures are not used to impede or inhibit access to applicants without due justification.

## **2.1 Terminology**

Fairtrade Ireland uses Fairtrade International's terminology for licensing activities in all public communications.

Fairtrade Ireland uses the Connect and Fairtrade Glossary for relevant internal documents.

## **3. General Roles and Responsibilities**

Fairtrade Ireland is responsible for licensees located in Ireland

The Commercial Relations Manager sends out the application package and collects the information from the applicant.

Once an applicant is accepted as described below a license contract is sent to the applicant by the Commercial Relations Manager.

The Commercial Relations Manager decides application approvals.

If an applicant requests a reconsideration of an application denial, the reconsideration is handled by the Executive Director.

The Licensing Manager decides on product application approvals.

The Licensing Director supervises the Licensing Manager and develops policies, requirements and evaluations for the department.

In this document Licensing staff refers to the Licensing Manager, Commercial Relations Manager and the Licensing Director.

The Commercial Relations Manager may be trained to act as a replacement for the Licensing Manager for holidays and other absences.

The Licensing Manager may be trained to act as a replacement for the Licensing Director for holidays and other absences.

### **3.1 Licensing Data**

The Fairtrade Product Registration System is Fairtrade CONNECT.

Fairtrade CONNECT is used to record all core Licensing data regarding Licensee organisations, their finished products and the ingredients used.

Approval decisions are communicated to the Licensee in text form through automatic notification from Fairtrade CONNECT. Where this is not possible Licensees are informed by email.

When the licensing information cannot be entered into Fairtrade CONNECT or product approval is not possible due to the technical limitation of Fairtrade CONNECT, Fairtrade Ireland informs Fairtrade International and ICC Support and stores the information securely at its own premises.

FLOCERT certification data is stored in ECERT.

#### **4. Licensee Applications- General**

Fairtrade Ireland does not discriminate between organisations and all parties are welcome to apply. No application for licensing shall be denied except as provided for in the Fairtrade Standards, Fairtrade Ireland's Application Process or other such relevant and public documents such as Fairtrade International's Code.

The application process is summarised in a flowchart in APPENDIX 1.

##### **4.1 Request for Initial Application**

The Licensing Manager determines whether the proposed products are covered by Fairtrade Standards generally. The Licensing Manager also determines whether the organisation needs to be certified and whether they should be licensed. It may be appropriate that another actor in the supply chain should be the licensee

The following companies must be certified and are therefore subject to physical audits:

- Companies that buy and sell a Fairtrade product until the product is in its final packaging.
- Companies that buy directly from producers and/or are responsible for paying or conveying the Fairtrade Price or Premium.

The following companies must be verified and are therefore exempted from physical audits, unless deemed necessary, and are monitored through effective reporting tools:

- Companies that have signed a licence agreement to use one of the Fairtrade Marks or make a reference to Fairtrade and do not fall under any of the two categories above. These are monitored by the respective licensing body. For these companies, the applicable requirements are defined in their license agreement.
- Companies working under the Fairtrade Sourced Ingredient (FSI) model for Cotton after the Fairtrade payer, or after the ginning stage (if this comes earlier). These are monitored through the FLOCERT traceability tool, Fairtrace.

If the operator requires certification, they are informed that they need to apply for certification with FLOCERT and that they cannot be licensed until certification is obtained.

If appropriate the Commercial Relations Manager will provide the operator with an application package including Fairtrade Ireland application process and application form A, commercial information and a specimen standard contract.

The applicant shall submit to Fairtrade Ireland an application form signed by a duly authorised representative of the applicant.

#### **4.1.1 Application Received**

The Licensing Manager reviews the application for the following:

- payment of application fee (if applicable),
- product category scope is covered by Fairtrade Standards,
- proposed finished products as well as communication material and Fairtrade claims meet Fairtrade Standards and Mark Guidelines; and
- if certification is required a Permission to Trade or full certificate has been issued by FLOCERT that covers the products categories applied for.

Fairtrade Ireland may deny an application if the applicant's behaviour or activity is not in line with the Fairtrade International Organisation Code. The decision is based on objective criteria, they apply equally to all applicants and are supported by evidence.

The criteria include where the applicant:

- has misused a certification mark or a trademark,
- has made demonstrably false or misleading statements regarding social or environmental certification or labelling,
- has or intends to incite hatred based on ethnic origin, sexual orientation, gender, religion or other such social group, or:
- has admitted or has been convicted of corrupt, fraudulent or other similar behaviour.

If all of the above are confirmed and the applicant is in line with the Fairtrade Organisational Code, then the Licensing Manager sends a licence contract to the applicant.

#### **4.2 Application Denial**

If the application is denied, the Licensing Manager informs the applicant in writing why the application was denied and informs them of the reconsideration procedure and the complaints policy. Fairtrade Ireland also informs all other Fairtrade Licensing Bodies.

### **4.3 Reconsideration**

There are no appeals of licensing application decisions, however applicants can ask for a reconsideration within 14 days of the denial. Fairtrade Ireland acknowledges all requests within 2 days of receipt.

Reconsideration of licensing decisions are handled by the Executive Director who will review all the relevant evidence, Standards and Policies. The Executive Director, or his/her delegate, provides the applicant with a written response within 15 working days.

The Licensing Body informs the applicant about the reconsideration decision. A written record of all reconsiderations is kept.

If the reconsideration is successful Fairtrade Ireland also informs all other Fairtrade Licensing Bodies.

### **4.4 Processing License Contract**

Once the signed License Contract is received from the applicant, Fairtrade Ireland signs the contract and provides a copy to the new Licensee. The Licensing Manager informs FLOCERT of the new Licensee. If the new Licensee is a Pure or Verified Licensee, then Fairtrade Ireland provides FLOCERT with the Licensees contact details.

The Commercial Relations Manager updates Salesforce with:

- Company name
- Address and company contact details
- Licensing status (Licensee – Certified, Pure Licensee)
- Start Date
- Personnel Contact data
- Certifier (e.g. FLOCERT)
- FLO ID

Once Connect has automatically created a Licensee account based on information from ECERT the Licensing Manager updates Connect:

- Licensee Account details
  - Licensee Accounting Code / ID
  - Connect role (e.g. Licensee, Manufacturer, Intermediate Processor etc.)
- User Settings
  - Usernames and Contact details
  - Connect Login ID and Password
  - Identify Primary Contact
- Licensing Contract details
  - Licensing Type ATCB or FSI, FCC, Textile Standard

- Product Areas generally
- Start Date
- Reporting details
  - License and other Fees
  - Reporting cycle
  - Reporting units

The Licensing Manager provides Connect login details and Connect information to the relevant Licensee staff.

## **5. License Withdrawal**

Fairtrade Ireland reserves the right to terminate the License Contract where the Licensee has misused the Fairtrade Mark and has not taken corrective action.

Fairtrade Ireland will also terminate the license contract for cause with immediate effect in the following cases:

- In the case licensee, becomes decertified (or its permission trade is withdrawn)
- In the case licensee engages in dishonest trading practices or any activity that reduces or diminishes the reputation, image, and prestige of the Fairtrade Certification Mark
- In the case licensee engages in advertising, marketing, and promotion activity in connection to non-Fairtrade Products which suggests to the consumer that these products meet the Fairtrade Standards

Fairtrade Ireland will also terminate the license contract for cause in the following cases:

- In the case of non-payment of licensee fees.
- In the case of non-reporting of sales data.
- The licensee becomes decertified (or its permission to trade is withdrawn)
- In the case of any material breach of the Fairtrade Mark Guidelines or the Fairtrade Standards that is not corrected.

Upon termination of the license contract, the licensee must cease all use of the Certification Mark on and in relation to all packaging and promotional material, as defined in the license agreement.

If the license contract is terminated for dishonest or misleading practices or material breach of the Fairtrade Standards, then Fairtrade Ireland informs FLOCERT and asks them to review the certificate or permission to trade.

If the license contract is not terminated for cause then the operator must decide whether they wish to be a Pure Trader, that is a non-licensee certified operator.

The Licensing Director decides on License Withdrawal cases in consultation with the Commercial Relations Manager.

FLOCERT is informed of any delicensed Licensees.

## **6. Product Applications - General**

All product composition must conform with Fairtrade Trader Standards, relevant Product Standards as well as Fairtrade Ireland Policies.

All product packaging must conform with the Fairtrade Mark Guidelines.

All Licensees enter and update details of their Fairtrade finished products and the Fairtrade ingredients they use in the Fairtrade CONNECT.

All new Licensees are given a basic training in Connect and are asked to contact their product Account Manager when they are ready to enter their first product into Connect.

A series of Licensee “How to” Manuals are provided which cover the details of all relevant areas of Connect.

### **6.1 Ingredients**

#### **6.1.1 Ingredient References**

In the Connect Sourcing 01 References tab Licensees enter the following information:

- Ingredient name
- Ingredient category
- Fairtrade status (Fairtrade or not Fairtrade)
- Organic status
- An ingredient reference number / identifier
- Physical Traceability Status
- Whether the product is claimed to be from a specific origin
- Whether the ingredient is Discontinued (if applicable)

For tea, cocoa, and sugar physical traceability can only be set to “Yes” if FLOCERT’s ECERT certification database indicates that the operator has opted to be audited for voluntary physical traceability.

Fairtrade Ireland also checks that physical traceability for composite ingredients, intermediate products and finished products is only set to “Yes” if all ingredients have physical traceability.

If the ingredient is indicated as not Fairtrade but there is a Fairtrade Standard for the ingredient, then Connect automatically prompts the Licensee to request an exception.

The Licensee either switches to a Fairtrade supplier or requests a food composite product ingredient exception. Where the ingredient is a composite purchased from another party, Fairtrade Ireland can grant an exception for the ingredient as a whole, however cannot grant exceptions for specific ingredients within the composite. Exceptions for specific ingredients within a purchased composite are granted by FLOCERT or other Fairtrade Assurance provider.

The exception request is reviewed by the Licensing Director or the Exceptions Committee (e.g. transitioning ingredient, provenance) as appropriate. If the grounds for an exception as set out in the Trader Standard and Fairtrade International Exceptions policy are met, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has entered all relevant information Licensing staff review and either “Approve” or “Decline” the References section.

### **6.1.2 Ingredient Supply Chain**

In the Connect Sourcing 02 Supply tab Licensees enter the following information:

- Immediate supplier (mandatory)
- The rest of the supply chain back to the producer (optional, and only if necessary)

Wherever possible Licensees are asked to link the ingredient to their supplier’s Connect record for the ingredient. Licensing staff normally assist with this process. In this way it is not necessary to enter the whole supply chain in the ingredient record and all relevant supply chains are automatically updated if each element in the supply chain keeps their Connect Sourcing 02 Supply tab up to date.

Whenever possible Fairtrade Ireland verifies the whole supply through ECERT for plausibility, but at least the immediate supplier. In addition, Fairtrade CONNECT automatically checks that the supply chain that has been entered is certified for the relevant product category and Fairtrade function, for example Producer or Price and Premium Payer.

Once the Licensee has entered all relevant information Licensing staff review and either “Approve” or “Decline” this section.

### **6.1.3 Ingredient Recipe**

If the Licensee’s ingredient is linked to their supplier’s Connect record for the ingredient, then the Connect Sourcing 01 Recipe tab will be automatically completed with the recipe.

Otherwise Licensees enter the recipe into the Connect Sourcing 02 Recipe tab if it is a composite ingredient.

Once the Licensee has entered all relevant information Licensing staff review and verify the recipe and either “Approve” or “Decline” this section.

## **6.2 Finished Products**

### **6.2.1 Product References**

In the Connect Product 01 References tab Licensees enter the following information:

- Product name
- Product category
- Brand
- At least one unique product reference number / identifier / barcode
- Organic status
- Details of product variants (optional)

Once the Licensee has entered all relevant information Licensing staff review and verify the product information and either “Approve” or “Decline” this section.

### **6.2.2 Product Recipes**

In the Connect Product 02 Recipe tab Licensees enter the following information:

- Product Manufacturer
- Physical Traceability Status
- Recipe Confidentiality
- Product Composition, i.e. Recipe.

The licensee enters the ingredient and their percentages in the product recipe. Ingredient totals must add up to 100%.

For tea, cocoa, and sugar physical traceability can only be set to Yes if FLOCERT’s ECERT certification database indicates that the operator has opted to be audited for voluntary physical traceability.

Connect automatically calculates the percentage Fairtrade content and prompts the Licensee to request a minimum Fairtrade content exception if the product does not meet Fairtrade Trader Standard. The exception request is reviewed by the Licensing Director. If the grounds for an exception as set out in the Trader Standard and Fairtrade International Exceptions policy are met, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has entered all relevant information Licensing staff review and verify the recipe and either “Approve” or “Decline” this section.

### **6.2.3 Product Packaging**

In the Connect Product 03 Packaging tab Licensees enter the following information:

- Container Type
- Consumer Pack Size
- Packaging Artwork(s)

When the packaging artwork has been uploaded the Licensing Manager reviews it using the Connect checklist, and the Licensing Manager reviews all Fairtrade claims against the Fairtrade Mark Guidelines.

The Licensing Manager indicates in the CONNECT packaging review checklist any areas that are not compliant and the Licensee either submits corrected artwork or requests an exception in Connect.

The exception request is reviewed by the Licensing Director and the Fairtrade International Brand Integrity and Strategy Committee. If the grounds for an exception as set out in the Mark Guidelines and Fairtrade International Exceptions policy are met and approved by Fairtrade International or the Brand Integrity and Strategy Committee, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has entered all relevant information Licensing staff review and verify the packaging and either “Approve” or “Decline” this section.

#### **6.2.3.1 Origin Claims**

Where a license refers to a country of origin or producer specifically in the Fairtrade claim then Fairtrade Ireland collects information from the Licensee, wherever possible, and verifies the origin claim for plausibility in ECERT.

#### **6.2.3.2 Producer Benefits**

Where communication about the benefits to the producers or Fairtrade Premium use have been made Fairtrade Ireland asks the licensee to provide the source of the information used, e.g. premium development plan or COD Impact data, and Fairtrade Ireland verifies that the information and communication is accurate, up-to-date at the time of printing and substantiated.

In case of Mass Balance, communication about the benefits in a specific country on Packaging is possible providing that no reference to the physical traceability of the ingredient in the product is made.

### 6.2.3.3 Fresh Produce

The Licensing Manager checks that the approved artwork was provided by the Licensee to the producer or exporter and the letter or email proving this is attached as a document to the packaging artwork upload in Connect.

### 6.2.3.4 Communication Material – Communications Manager

The Licensing Manager asks the Licensees to forward all Fairtrade communication and promotional materials to [artwork@fairtrade.ie](mailto:artwork@fairtrade.ie)

The Licensing Manager reviews the materials using the Fairtrade Communications Materials checklist to verify that they meet requirements of the Trader Standard and Fairtrade Mark Guidelines.

The Communications Manager informs the Licensee of any areas that are not compliant and the Licensee either submits corrected communications materials or requests an exception.

The exception request is reviewed by the Licensing Manager and the Fairtrade International Brand Integrity and Strategy Committee. If the exception is approved by Fairtrade International or the Brand Integrity and Strategy Committee, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has provided all relevant information Licensing staff review the communications materials and either “Approve” or “Decline”.

## 6.2.4 Product Licensing Details

In the Connect Product 04 Licensing tab Licensees enter the following information:

- Launch / Start Date
- End of Availability (if applicable)
- License Holder
- License Fee Payer
- License Fee Reporter

The Licensing Manager confirms that Connect has assigned the correct licensing fee.

Once the Licensee has entered all the above information Licensing staff review and either “Approve” or “Decline” this section.

### 6.2.4.1 Country(s) of Sale

The Licensee enters all the Country(s) where they intend to sell the product.

The Licensing Manager “Approves” or “Declines” the sale of the product into Ireland. Sales to Ireland would only be declined if there was problem with the product in one of the other sections.

The relevant destination Licensing Body “Approves” or “Declines” the sale of the product into the country(s) they cover.

Similarly, Licensees of other Licensing Bodies may enter Ireland as a country of sale. The Fairtrade Ireland Licensing Manager reviews cross border sales (CBS) into Ireland and if appropriate “Approves” the sale. If Fairtrade Ireland wishes to “Decline” a cross border sale into Ireland, they consult with the Home NFO. Otherwise cross border sales are automatically Approved after 5 days.

### **6.2.5 Product Visibility**

In the Connect Product 05 Visibility tab Licensees may optionally enter the following information:

- Whether they wish the product to be published in any Fairtrade Product Finders
- Pack Shot
- Product confidentiality / findability within Connect

At present Fairtrade Ireland does not have a Fairtrade Product Finder.

If the Licensee has entered the above information Licensing staff review and either “Approve” or “Decline” this section.

### **6.2.6 Product Distribution**

In the Connect Product 05 Distribution tab Licensees may optionally enter the following information:

- The percentage of Out of Home or Retail for the product.
- Distributors of the finished product

If the Licensee has entered the above information Licensing staff review and either “Approve” or “Decline” this section.

If the product is an intermediate product, for example and composite inclusion in another product, then the Licensee can indicate the Licensees who are a customer of this intermediate product.

## **7. Fairtrade Sourced Ingredients (FSI)**

This section outlines additional processes that are specific to FSI.

The general application and product approval process applies to Fairtrade Sourced Ingredients with the following variations.

### **7.1 FSI Commitment Plan**

FSI applicants complete and sign an FSI commitment plan that covers at least three years.

This plan is reviewed once a year with the Licensee to compare committed volumes with actual volumes. If necessary, the commitment plan is updated to cover at least three years hence.

### **7.2 FSI Claims**

Volumes of ingredients sourced as Fairtrade by the Licensee or its suppliers (as applicable) are verified by reviewing purchase documentation before the proposed FSI claims are published.

Volumes agreed between Licensee and Licensing Body can be communicated and approved before verification only in accordance with the relevant Fairtrade Mark guidelines.

Fairtrade Ireland ensures that approval that the proposed communication of claims complies with the requirements of the relevant Fairtrade Mark Guidelines or any variation approved by Fairtrade International or the Brand Integrity and Strategy Committee.

## **8. Sales Reporting and License Fees ATCB and FSI**

### **8.1 Quarterly Sales Reporting**

Unless otherwise provided by the licensing body, licensees shall report sales of finished product by SKU and by calendar quarter as well as any other information that is required in order to calculate the license fees.

All reporting is done through the Fairtrade Product Registration System, Connect.

Every calendar quarter the Licensing Manager creates reports for all reporting Licensees and sends out a series of reminders:

- Quarter has ended and reports are available to be completed
- Reminder 7 days before reporting deadline
- Reminder that reporting deadline has passed 1 day after deadline
- Warning of deregistration 2 weeks after deadline
- Deregistration 2 weeks later

## **8.2 Reviewing Reports**

The Licensing Manager reviews submitted sales reports for correctness and completeness and marks the report as Incomplete if necessary. Once the report is correct and complete it is Approved.

## **8.3 Invoicing License Fees**

The Licensing Manager prepares an invoice request which is sent to the Finance manager.

The Finance Manager enters the invoice in the accounts, sends the invoice to the licensee and follows up on payment.

### **8.3.1 Cross Border Sales and Fees**

Once all or substantially all of the reports have been invoiced for a quarter, Finance provides details of sales by Fairtrade Ireland licensees to other countries, including volumes and license fee information, to the Licensing Bodies responsible for those countries. The other Licensing Bodies then invoice Fairtrade Ireland.

Each quarter Finance receives details of sales by licensees in other countries into Ireland, including volumes and license fee information. Fairtrade Ireland then invoices the Licensing Bodies where the Licensee is licensed.

## **9. Standard Compliance Marks**

### **9.1 Climate Standard / Fairtrade Carbon Credit (FCC) <if applicable>**

This section has additional processes that are specific to Fairtrade Carbon Credits.

FCC Producers and Authorised FCC Suppliers are certified by FLOCERT.

FCC Distributors and FCC End Buyers are verified by the relevant Fairtrade Licensing Body.

#### **9.1.1 FCC Application**

The general application process applies to Fairtrade Carbon Credits with the following variations.

Traders buy Fairtrade Carbon Credits from FCC producer organisations with a valid certification or through the FCC project facilitator and pay the Fairtrade Price and Premium.

Fairtrade Ireland signs an FCC Trader Contract with Traders which covers use of the FCC Lock Up and payment of the FCC License fee.

Fairtrade Ireland signs an FCC End Buyer Contract with End Buyers of Fairtrade Carbon Credits who purchase over 1,000 carbon credits of any kind in a year.

FCC End Buyers who wish to make public communications regarding Fairtrade Carbon Credits but purchase less than 1,000 Fairtrade Carbon Credits a year sign a FCC Lock Up Only Contract with Fairtrade Ireland.

If there are other traders between the Producer and the End Buyer that retire FCCs, then these Distributors sign an FCC Retirement Reporting Contract with Fairtrade Ireland.

### **9.1.2 End Buyer Requirements**

Fairtrade Ireland verifies the following End Buyer requirements under the Climate Standard.

End Buyers must provide a Carbon emissions report which quantifies all carbon emissions they produce from all their business activities and operations. This report is based on GHG Protocol Corporate Standard, ISO 9004, Carbon Trust Standard or equivalent methodology.

End Buyers will provide a Carbon reduction plan which commits them to reducing their carbon emissions over time. The Carbon reduction plan is an appendix to the FCC End Buyer contract. End Buyers send copies and proofs of their carbon footprints, carbon reduction plans and evidence that these have been verified by an external body to Fairtrade Ireland. Fairtrade Ireland will check these documents are ask FLOCERT to check them.

In the third year of their certification End Buyers have their GHG emissions calculation and report verified by a third party that has expertise in GHG calculation verification.

In the third year of their certification End Buyers submit a Plan for buying increasing amounts of FCCs. Where FCCs are not available, or supply is insufficient then Fairtrade Ireland recommends that the End Buyer buys Gold Standard carbon credits.

End Buyers limit as much as possible the number of traders in your FCC supply chain and purchase FCCs as directly as possible from producer organisations.

The Fairtrade Ireland End Buyer contract also covers the right to use the Fairtrade Carbon Credits Lock-up in promotional communications or artwork. Fairtrade Ireland checks that all artwork complies with the “Partnership Lock Up and Communications Guidelines and that such approval is given before use.

### 9.1.3 FCC Reporting

FCC Retirements by FCC Traders, FCC Distributors and FCC End Buyers are reported to calculate the FCC License Fee.

FCC Distributors report the name of an FCC End Buyer only if:

- The FCC End Buyer asks the FCC Distributor to specify the number of FCCs retired on their behalf, OR
- The FCC Distributor retires more than 500 FCCs for an End Buyer in one retirement.

### 9.1.4 FCC Claims

If an FCC End Buyer wishes to communicate the percentage of Carbon Credits purchased as Fairtrade Carbon Credits, then the FCC End Buyer Contract gives consent to Fairtrade Ireland to obtain information from the Registry to confirm the percentage, i.e. the total number of CCs retired by the end buyer in the relevant period.

All public communications regarding Fairtrade Carbon Credits by FCC End Buyers, FCC Distributors and Authorised FCC Suppliers are submitted to Fairtrade Ireland before publication.

Fairtrade Ireland verifies that:

- the use of the Standard Compliance Mark's lock-ups is associated with a Fairtrade Standard; and
- the proposed communication material complies with the requirements of the Fairtrade Mark Guidelines or any variation approved by Fairtrade International or the Brand Integrity and Strategy Committee.

Fairtrade Ireland holds a review meeting at least once a year with each FCC End Buyer to review their Carbon Reduction Plan and Plan to Buy Increasing Amounts of FCCs.

## **9.2 Textile Standard <if applicable>**

This section has additional processes that are specific to Fairtrade Textile Standard.

*<Add any additional processes for your Licensing Body>*

### 9.2.1 Textile Standard Claims

Fairtrade Ireland verifies that:

- the use of the Standard Compliance Mark's lock-ups is associated with a Fairtrade Standard; and

- the proposed communication material complies with the requirements of the Fairtrade Mark Guidelines or any variation approved by Fairtrade International or the Brand Integrity and Strategy Committee.

## **10. Exceptions**

All exceptions are approved by the Licensing Director and where appropriate the relevant Fairtrade International body.

All Fairtrade composite product ingredient exceptions are recorded in CONNECT.

All Fairtrade product packaging exceptions are recorded in CONNECT.

All Minimum Fairtrade content exceptions are recorded in CONNECT.

All required exceptions are reported to the Fairtrade International Assurance Manager as part of the normal annual cycle.

## **11. Delegation of Licensing Responsibilities**

Licensees may request delegation of one or more of the following responsibilities to another Fairtrade certified operator (the Delegate), normally their supplier or manufacturer:

- Payment of the Licence Fees
- Report Quarterly Sales
- Submission of Packaging Artwork
- Submission of Recipe and Supply Chain information

If approved the Licensee acknowledges that the Licensee is ultimately responsible for these obligations under its License Contact and if the Delegate fails to perform these actions then Fairtrade Ireland may require the Licensee to fulfil these obligations.

If Fairtrade Ireland approves the requested delegation the two parties must sign a Licensee Delegation Agreement which outlines exactly which tasks are delegated and for which specific products. Fairtrade Ireland then updates Connect to reflect these delegations.

## **12. Business Service Mark <if applicable>**

Fairtrade Ireland follows the procedures and principles approved by the Fairtrade International Board to engage with Organizations or Organizations' own schemes in relation to the use of the Business Service Marks.

Fairtrade Ireland applies the 'Traffic Light Approach to New Partnerships with Corporate Sustainability Schemes' approved by the Fairtrade International Board in making decisions to engage with Organizations.

Fairtrade Ireland applies the 'Content of a Fairtrade partnership' and 'No-go areas for partnerships' approved by the Fairtrade International Board.

Fairtrade Ireland verifies proposed communication material complies with the requirements of the "Working with" or "Programmes" Mark guidelines or any variation provided by Fairtrade International and the Brand Integrity and Strategy Committee.

Fairtrade Ireland verifies that the Business Services Marks are not used on-pack, other than the "Programmes" Mark used as promotion, as a free give-away, e.g. chocolate bar as give-away

### **13. Fairtrade International**

The Licensing Manager shall inform Fairtrade International of all operator licensing status changes by sending them to FLOCERT who will update ECERT. This will be done within 7 days of the licensing decision.

#### **13.1 Licensing Body Status**

If Fairtrade International withdraws Fairtrade Ireland's licensing body status then Fairtrade Ireland will not sign new licensing contracts.

#### **13.2 New or Changed Standards**

The Standard Contract specifies that licensees are responsible for being compliant with the latest version of Fairtrade Standards, including new or changed standards, using the following link: [www.fairtrade.net/standard](http://www.fairtrade.net/standard)

#### **13.3 Standards Interpretation**

If necessary Fairtrade Ireland asks Fairtrade International's Standards Unit for advice on how a Standard is interpreted.

### **13.4 Changes to the Fairtrade Mark**

Fairtrade Ireland does not make any changes to the Fairtrade Mark or the Fairtrade Claims without consulting and getting the approval of the Brand Integrity and Strategy Committee or Fairtrade International.

### **13.5 Guidelines Interpretation**

If necessary Fairtrade Ireland asks the Fairtrade Brand Integrity and Strategy Committee or Fairtrade International on how a Mark Guideline is interpreted.

At least once a year Fairtrade Ireland provides the Fairtrade Brand Integrity and Strategy Committee or Fairtrade International with a copy of the Fairtrade Ireland Mark Internal Manual.

## **14. Misuse of the Mark**

Fairtrade Ireland protects the integrity of the Fairtrade Marks by guarding it against misuse and false claim and reports all information and cases of misuse to Fairtrade International.

After giving fair warning Fairtrade Ireland may take legal action in cases of misuse of the Fairtrade Marks and upon the written consent of Fairtrade International.

### **14.1 European Union Certification Mark Regulations**

Fairtrade Ireland ensures that if a Licensee falls within the legal scope of one of the EU-Certification Mark Regulations it does not allow Licensees to deviate from the relevant EU-Certification Mark Regulations.

## **15. Complaints**

Complaints are covered by the Fairtrade Ireland Complaints Policy.

## **16. Allegations**

Allegations are covered by the Fairtrade Ireland Allegations Policy.

## **17. Confidentiality**

Confidentiality guidelines are outlined in the Fairtrade Ireland Confidentiality Policy.

### **18. Impartiality**

All licensing activities shall be undertaken impartially and shall not allow commercial, financial or other pressures compromise impartiality. Please refer to the Fairtrade Ireland Impartiality Policy.

All licensing staff must understand and declare in writing conflicts of interest, if any, as outlined in the Ireland Impartiality and Conflicts of Interest Manual.

Fairtrade Ireland refers to the Oversight Committee for resolution of cases of Impartiality or conflict of interests, when there is doubt or debate.

### **19. Staff Qualifications and Competencies**

The following qualification criteria apply to Licensing staff.

<b>Area</b>	<b>Criteria</b>
<b>Work experience</b>	At least one year of work experience in a field related to the content of the standard being evaluated or in licensing of other schemes.
<b>Fairtrade system training</b>	Have received training on all relevant Fairtrade standards and policies from the licensing body.
<b>Language skills</b>	Is fluent in either French or English and has at least basic proficiency in the other language. Proficiency in the second language shall improve gradually until there is substantial fluency.
<b>Communication</b>	Able to express ideas and concepts clearly; Able to express findings in written reports clearly and concisely.
	Able to communicate orally and in written form with business senior management and employees in order to elicit information relevant to licensing.

## **20. Staff Evaluation and Training**

Fairtrade Ireland shall verify that qualification criteria have been met prior to engaging an individual as licensing personnel and shall periodically assess whether competency criteria have been met including periodic on-the-job evaluation. Fairtrade Ireland organizes periodic training and calibration program of licensing personnel.

Where is it not possible to fill a position with a person with at least one year of relevant work experience, then Fairtrade Ireland informs the Assurance Manager of Fairtrade International and requests a variation.

## **21. Language**

Fairtrade Ireland provides licensing services to operators in French and English

## **22. Reporting to Fairtrade International**

### **22.1 Information**

The following information is sent to Fairtrade International periodically in the form and method defined by Fairtrade International:

- The names of all organisations to which Fairtrade Ireland grants a license.
- A list of products to which Fairtrade Ireland grants a license.
  - The list of licensed products is obtained from the Fairtrade Product Registration System, Connect.
- All information regarding ingredient exceptions as required by the Exceptions Committee.
- All information regarding artwork exceptions granted including those granted by the Brand Integrity and Strategy Committee or by Fairtrade International for products sold in the Licensing Body's local market and as Cross Border Sales.
- All information regarding Fairtrade percentage composition exceptions granted.
- The summary of all Reconsiderations, Complaints and Allegations, and actions taken to resolve them.
- Impartiality reports, cases of Impartiality that occurred, risks to Impartiality and their mitigation,
- Annual sales figures.
- Any other information as required by the Agreement with Fairtrade International.

### **22.2 Quality System Documents**

Fairtrade Ireland keeps versions of the following quality system documents and provides them to Fairtrade International upon request or when they have changed substantively including the rationale and summary of the changes.

Licensing Standard Operating Procedures:

- Ireland Licensing SOP
- Ireland Quality Management SOP
- Ireland Data Control SOP
- Ireland Document Control SOP
- Ireland Mark Control SOP
- Fairtrade Ireland Allegations Policy
- Fairtrade Ireland Complaints Policy
- Fairtrade Ireland Confidentiality Policy
- Fairtrade Ireland Impartiality Policy

All policies that regulate or have implications on how licensing is carried out.

- Fairtrade Ireland Application Policy
- Fairtrade Ireland Reporting & Product Approval Policy
- Fairtrade Ireland Cosmetics Policy
- Fairtrade Ireland Cotton Policy

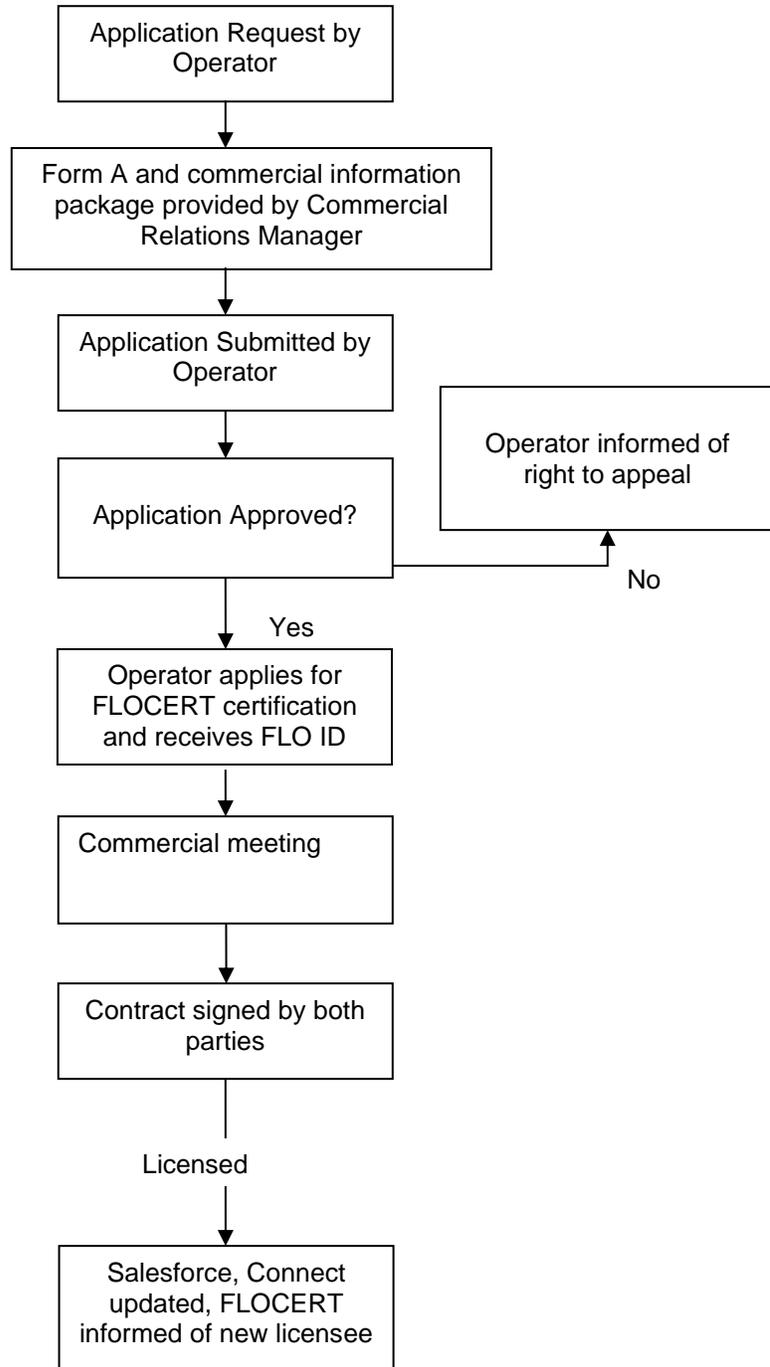
All License Contract templates adapted to national legislations.

- Fairtrade Ireland License Contract
- Fairtrade Ireland License Contract Appendix 1 Fairtrade ATCB Mark
- Fairtrade Ireland License Contract Appendix 1 Fairtrade FSI Mark
- Fairtrade Ireland License Contract Appendix 4 Fees Licensees

**Documents Referenced**

Fairtrade Ireland Application Policy  
Fairtrade Ireland Production Application and Reporting Policy  
Ireland Quality Management SOP  
Ireland Document and Record SOP  
Ireland Fairtrade Mark Control SOP  
Ireland Licensing Training SOP

## 23. APPENDIX 1 – Application Process



## **Allegations Policy**

### **24. Purpose of this Document**

Fairtrade Ireland is committed to the adherence to the Fairtrade Standards and policies and is part of our role as a licensing body to ensure our customers are meeting their requirements under the standards. This policy defines what an allegation is, and our approach to investigating any claims.

### **25. What is an Allegation?**

Allegation refers to an accusation, made by a third party claiming that a Licensee is violating the Fairtrade Standards, policies, and procedures, is damaging Fairtrade's reputation, is misusing the FAIRTRADE Marks or is in breach of its License Agreement.

An allegation can be made by any party, which may include a member of the public, a Fairtrade customer, an NGO, or a labour union.

### **26. Submitting an Allegation**

All allegations must be submitted in writing and addressed to:

Private and Confidential  
Peter Gaynor, Executive Director  
Fairtrade Ireland  
Carmichael  
North Brunswick Street  
Dublin 7  
Ireland,  
email: peter@fairtrade.ie

If you need assistance to document the allegation, please contact Fairtrade Ireland on 00353 1 4753515 and the Licensing personnel can assist with documenting the allegation.

All submitted allegations will be treated with the strictest of confidence, to ensure the identities of the parties are protected.

#### **26.1 What information is required when making an allegation?**

When making an allegation, providing as much of the following information as possible will make it easier for us to investigate matters:

- Your name, position and contact details
- The name of the organization and FLO ID (if known)
- Which Fairtrade criteria is your allegation relating to
- Describe the issues you are alleging
- Attach any documentation to support your claim

We will acknowledge all written allegations within 10 days of receipt, in writing. Your allegation will be assigned to a relevant staff member for investigation. Any person with a conflict of interest in relation to the allegation shall be excluded from the review and decision-making process.

## **26.2 Processing the Application**

The staff member will make an initial assessment of the claim, to ensure its validity and determine the investigation process.

If the allegation concerns a purely certification related matter it will be transferred to Fairtrade Ireland's certification body, FLOCERT.

The reasons an allegation may not be investigated further are: the organization is not Fairtrade certified or licensed, the allegation is not linked to a breach of the Fairtrade Standard, policies or the allegation has no link to the Fairtrade standards or policies.

Based on the nature of the allegation, the investigation may take the form including, analysis of the evidence provided, analysis of audit history, statement from the customer or analysis taken as part of an announced or unannounced audit.

The investigation is required to be completed within a 6-month time frame, however where the allegation is classed as high risk, action will be taken ensure the process does not take longer than 3 months.

## **26.3 Allegation Decision**

If the result of the investigation, finds no evidence that the Fairtrade standards, policies, or contract were breached, it will be dismissed.

Once we have investigated the allegation, we will provide you with a written response to the party making the allegation.

If you are dissatisfied with Fairtrade Ireland's process in handling the allegation, they may contact Fairtrade International, the owner of the Fairtrade Standards, for further review.

Fairtrade Ireland will keep a record of all allegations made, and the results of the investigation.

## **26.4 Confidentiality of Allegations**

The information received through the allegation's procedure is handled as confidential information.

Specifically, where Fairtrade Ireland received credible confidential allegation information from a third party, and this information, by its nature, cannot be provided to the operator, then Fairtrade Ireland shall:

- Not disclose the confidential allegation to any party except those within Fairtrade Ireland who have a need to know, or as required by law
- Not use the confidential allegation during an audit in any way that may allow the operator to identify the individual(s) or organisation(s) who provided the information
- Not use the confidential allegation as evidence of non-conformity unless the information can be verified as being correct by other means; and
- Use the confidential allegation to identify which areas of the client's operation should be investigated.

## **Complaints Policy**

### **27. INTRODUCTION**

#### **27.1 Purpose of this Document**

Fairtrade Ireland recognises the importance of and value of listening and responding to concerns and complaints. We are committed to achieving the highest standard we can in every area of our work and to continuous improvement. Fairtrade Ireland is also committed to maintaining its responsiveness to the needs and concerns of its licensees, the public and the producers it supports.

This policy is designed to provide guidance on the way Fairtrade Ireland receives and handles complaints made against the organization and its employees. The objective of the policy is to assist the organization and employees in resolving complaints in an efficient, effective, and professional manner.

This policy applies to all our people - employees and volunteers – and they are familiarised with it. Those with relevant responsibilities are trained in its application. We make clear the value we place on receiving concerns and complaints in all relevant communications. We advise how a copy of this policy may be obtained and we provide clear information on how complaints may be made

#### **27.2 What is a Complaint?**

The policy is intended to address complaints made about Fairtrade Ireland. A complaint under this policy is defined as an expression of dissatisfaction made to the organisation, related to its services, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected.

Any person or organization (the complainant) who is dissatisfied with a service provided by the organization may contact Fairtrade Ireland to complain. At times, complaints can be by way of negative feedback, which may not require a resolution or formal follow-up. While this type of feedback is valuable to the organization, the policy does not apply to feedback of this nature.

#### **27.3 Scope of our Policy**

This policy is intended to apply to any complaint, regardless of who makes it.

We will accept complaints relating to our paid staff, volunteers, partners, contracted service providers or anyone else acting on our behalf.

Any person may make a complaint. Anonymous complaints can be made, however our ability to investigate anonymous complaints may be limited due to the nature of the reporting.

## **28. Guiding principles of effective complaints handling**

Partners and employees should consider the following guiding principles of effective complaints handling:

Visibility	Our Complaints Policy is available on the Fairtrade Ireland Website and also internally.
Accessibility	Our Complaints Policy is readily accessible to all partners, employees and licensees. The Policy is easy to understand and includes details on making and resolving complaints.
Responsiveness	Receipt of each complaint is acknowledged to the complainant immediately. Complaints will be handled in an efficient and effective manner. Complainants will be treated courteously and kept informed of the progress of their complaint throughout the complaint-handling process.
Objectivity	Each complaint is addressed in an equitable, objective and unbiased manner through the complaints-handling process.
Charges	There will be no charge to the complainant for making a complaint.
Confidentiality	Personally identifiable information concerning the complainant is actively protected from disclosure unless the complainant expressly consents to disclosure.
Customer focused approach	All partners and employees of Fairtrade Ireland, including the members of the Board, the Executive Director and the licensing team, are committed to efficient and fair resolution of complaints. We actively solicit feedback from our licensees and producer partners on a regular basis and acknowledge their right to complain.
Accountability	All partners and employees accept responsibility for effective complaints handling. The Executive Director will ensure that, where appropriate, issues raised in the complaints handling process are reflected in partner and employee performance evaluation.
Continual	Our complaints handling process will be reviewed periodically, to enhance its efficient delivery of Improvement effective outcomes.

## **29. HANDLING A COMPLAINT**

### **29.1 How a complaint may be made**

Where a complaint is about a particular engagement, service, partner or employee and the complainant is known to the team working on the relevant matter, the complainant should address his/her complaint to the manager of that team. The complaint should be made in writing and provided by hand, email or post. Where possible complaints should be made in writing so that the details of the complaint are clear and complete.

If the complainant is not sure who to address the complaint to, or if the complainant feels it is inappropriate to address the complaint to a particular person, the complaint can be addressed to:

Private and Confidential  
Peter Gaynor, Executive Director  
Fairtrade Ireland  
Carmichael  
North Brunswick Street,  
Dublin 7  
Ireland  
email: peter@fairtrade.ie

If your complaint is about the Chief Executive Officer, your complaint should be addressed to:

Private and Confidential  
Chair of Board  
Carmichael  
North Brunswick Street  
Dublin 7  
Ireland  
D07 RHA8

## **29.2 What information is required when making a complaint?**

When making a complaint, providing as much of the following information as possible will make it easier for us to resolve matters:

- Your name, position, and contact details
- Your relationship with Fairtrade Ireland (for example: are you a licensee?)
- The nature of the complaint
- Details of the Fairtrade Ireland partner or employee involved (if applicable)
- Relevant dates
- Copies of any documentation supporting the complaint

## **29.3 Complaints Procedure**

We will endeavour to deal with inquires and minor complaints which are made orally by telephone or in person, during that initial phone call or meeting. If we cannot adequately deal with a complaint, the complaint will be assigned to a relevant staff member as outlined below for further investigation.

We will acknowledge all written complaints within 7 working days of receipt.

Your complaint will be assigned to a relevant staff member (or depending on the nature and seriousness of the complaint, a board member) for investigation. For example, if your complaint relates to an issue of licensing, the Commercial Relations Manager will conduct the review. Any person with a conflict of interest in relation to the complaint shall be excluded from the review and decision-making process.

Each complaint (other than those determined by the relevant staff member to be frivolous or vexatious) will be investigated. The person handling the complaint will make reasonable effort to:

- Establish the facts and gather the relevant information regarding the complaint; and
- If necessary and/or practicable, interview those involved.

The level of investigation will be commensurate with the seriousness and frequency of the complaint.

Once we have investigated your complaint, we will provide you with a written response.

If you are dissatisfied with Fairtrade Ireland's response, you have the right to ask for review of the response by the Executive Director, or if the complaint is in regard to the Executive Director to the Chair of the Fairtrade Ireland Board. Such a request should be made in writing and forwarded by post, email or fax to the address provided above.

If you are still dissatisfied with Fairtrade Ireland's response you may ask the Fairtrade International Oversight Committee to review the complaint. You should address your complaint to the Fairtrade International Assurance Manager, [assurance@fairtrade.net](mailto:assurance@fairtrade.net).

#### **29.4 Your rights during the complaint process**

You have the right to enquire as to the status of your complaint by contacting the staff member who has been identified to you as handling your complaint.

Your personal information will be protected from disclosure unless you expressly consent to disclosure.

Your complaint will be addressed in an equitable, objective, and unbiased manner.

There will be no charge for making a complaint.

#### **29.5 Assistance with making a complaint**

If you need assistance in formulating or lodging a complaint, please contact any member of Fairtrade Ireland. If this is not appropriate, please contact the Executive Director (contact details as above). In particular, a member of staff can assist you to identify the information

which should be provided to establish the facts of the complaint and identify the outcome you are seeking in relation to the complaint.

### **29.6 Further action**

If you are a licensee and the matter come within the terms of the License Contract, please refer to the dispute resolution clause in the License Contract if you are dissatisfied with the response from Fairtrade.

### **29.7 Timeframes**

We aim to resolve complaints as quickly as possible and within 30 days unless there are exceptional circumstances. If a complaint is not able to be resolved within 30 days, we will inform the complainant of progress and keep them informed of progress every two weeks.

## **30. OUR QUALITY CONTROLS**

A register of complaints will be kept by the Licensing Manager. Complaints will be analysed by the Executive Director for the identification of systemic or recurring problems. If such problems are identified, the organization will consider what actions it may need to take to address these problems.

The complaints handling process will be reviewed periodically to enhance its delivery of efficient and effective outcomes. This review will be performed by the Executive Director or an appropriate appointee. The organization will consider what actions it may need to take to address any deficiencies identified in the review.

Where appropriate, issues that arise because of the complaints handling process may be incorporated in the process for monitoring and evaluating employee performance.