

FAIRWILD GUIDANCE MANUAL

SOCIAL AND FAIRTRADE ASPECTS



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Introduction

This guidance manual has specifically been designed to cover the social and fair trade aspects of the FairWild Standard. It aims to providing support and assistance to all operations interested in or about to implementing the principles of FairWild, whether already certified or not. It is applicable to the full scope of FairWild, and to all operations that

- a. organize and carry out the collection of plants, fungi, lichens (or parts thereof) from natural habitats.
- b. mandate implementation of FairWild to other operators or
- c. are buyers of FairWild certified produce.

It defines the organizational, personnel and documentary requirements to comply with the social and fair trade principles of the FairWild Standard.

Structure

The manual consists of two sections:

Part A of this guidance manual covers the social responsibility principles and aspects of the FairWild standard, such as respecting customary rights and benefit sharing, permitted and prohibited forms of child labour and fair working conditions,

Part B of this guidance manual covers the fair trade principles and aspects of the FairWild standard, such as fair contractual relationships, fair pricing and Fair Trade Premiums, as well as fair trade buyer commitments.

Besides a general introduction to the topic, three core principles of the FairWild Standard are described in each of the two parts A and B. These sections comprise the following basic information:

- **General Explanation of the Criterion and Background**

Introduction to the principle and background information on why a certain principle and core criteria form part of the FW Standard and to what important cross-references they relate.

- **Minimum Requirements**

Minimum requirements are performance indicators of the standard that MUST be fulfilled before certification. In case of gradual fulfillment and implementation, these indicators are assessed individually taking the specific conditions of the operation into consideration before a certification decision is made and transition periods are fixed. Some minimum requirements must be fulfilled from year one of certification, while others become minimum requirements only in years two or three.

- **Performance Beyond Minimum Requirements**

Besides minimum requirements, a number of performance indicators relate to aspects that should be fulfilled by the operator but that are no prerequisites for FW certification. The level of compliance with these performance indicators and the respective performance ratings add up to a total rating score; FairWild certification depends on the percentage of compliance with all performance indicators, whether minimum requirement or not.

- **Implementation Guidance and Suggestions**

Comments and suggestions are provided of how a certain aspect could be implemented. Examples may be included that show solutions that have proved to be beneficial in other situations or operations.

- **Control Requirements and Documentation**

This section provides information on the control requirements relevant for auditing and verifying compliance with a principle. Exemplary documentation is listed that could be developed and used to prove compliance with performance indicators.

Audit and Certification Process

A complete FairWild audit of each operator and each operational unit is carried out once per calendar year by an accredited certification body. All collection areas, purchase stations, warehouses and processing and administration facilities are visited.

In order to assess the social and fair trade aspects of FairWild, interviews with all groups of people within an operation are carried out. This includes, in the first place, interviews with collectors and workers. All interviews are confidential; interviews with non-management staff and collectors must be carried out without the presence of management staff. Group interviews are possible, although individual interviews will be the rule. It is the auditor's choice whom to select for an interview. An operation's management has no right to decline interviews with any of the operator's staff, irrespective whether permanent or temporary. However, each person selected for an interview has the right to refuse being interviewed if this refusal reflects his or her own free will and there is no indication that it was forced by the operator's management.

Additionally the certification body needs to be granted full access to all documentation. If the bookkeeping is done externally the original documents should be ready for inspection.

During the season, auditors might visit the collecting area several times, accompany the collectors during their work and do spot inspections at the collectors' homes, purchase centres or other facilities of the operation. The certification agency is authorized to perform unannounced spot checks or announced additional inspections of the whole company or parts of it any time during the year.

In larger wild collection operations that operate with an Internal Control System (ICS) those social responsibility aspects that can be checked and verified on the collector level should be included in the ICS forms and reports. They should hence become a regular component of each internal inspection visit.

After the audit the auditor(s) complete all relevant reports and other documentation and send it to the certification agency for evaluation and certification. During this process audit results are checked by an independent, third person and assessed with regard to an operation's compliance with FairWild. The certification is always strictly separate from the audit process and done by the certification office.

If the activities are found to be in compliance with FairWild, FairWild certification will be granted. Corrective measures and certification conditions may be listed in a summarizing assessment document. A fixed time period will be set for correcting non-conformities.

The operator receives a certification notification from the certification body, the audit or evaluation and summary report as well as a FairWild certificate. If an operation cannot be certified FairWild, a notification of non-compliance will be sent together with an indication of necessary corrections. In case correction of the non-compliances is not possible, a denial of certification may be included in this notification.

The certificate or an attached list includes all products within the scope of the respective FairWild certification. The certification does not entitle the operator to sell products that are not listed on the certificate or the accompanying list of approved products.

Part A: Social Responsibility Principles

1. Introduction

FairWild is a private, international standard that covers ecological, social, and economic aspects of sustainability. As such, it does not replace national or supranational legislation (e.g. regulations on organic certification; laws on social benefit payments etc.). Adherence to national and supranational legislation is the baseline for FairWild. However, there may be some provisions of FairWild that are not or only partly covered by national or supranational legislation or that are stricter in FairWild. As a rule, for certification the stricter provision applies (i.e. if the legal provisions are stricter than FairWild, the legal provisions apply; if FairWild is stricter than the legal requirements, the provisions of FairWild apply for FairWild certification). This applies to ALL countries, irrespective of whether a country is considered or considers itself as an economically developing country, a country with an economy in transition, or an economically developed country. Compliance with the provisions of FairWild has to be verified and certified by an accredited certification body. The FairWild Foundation is responsible for this accreditation. FairWild certification does NOT include organic certification. If an operation wants to become certified organic and FairWild it needs to apply for independent certification according to the two standards.

Sustainability in production and trade of natural goods such as wild plants, lichens or fungi depends on four different pillars. It was for the first time formalized through the Convention on Biological Diversity (CBD) in 1992 (CBD 1992; UNEP 2001). In order to be sustainable, a sourcing operation must develop and implement working procedures that are ecologically sound, socially responsible, culturally sensitive and economically viable. While all four aspects are equally important, this guidance manual focuses on two of the four aspects: social responsibility and cultural sensitivity. Although there is a certain overlap with the ecological and economic aspects of sustainability, these are not dealt with in detail here but covered in other guidance documents.

With the adoption of the 'Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from the Utilization' at the 10th Conference of the Parties (COP-10) to the CBD in Nagoya, Japan in October 2010, Access and Benefit Sharing (ABS) has finally become an internationally required, integral component of social responsibility standards that cover sourcing from the wild, such as FairWild. The Nagoya Protocol will come into force by 2012.

1.1 Social Responsibility in Wild Collection Operations

Social Responsibility

Social Responsibility is a term that summarizes all actions - including underlying motivations, principles of action, philosophies, strategies or similar - of a person or any organizational unit aiming to support all people that are under the care of the person or organizational unit. In the context of FairWild, social responsibility includes the following major aspects:

1. Providing decent working conditions to all people under the care of the operator
2. Taking care that no prohibited forms of child labour occur within the operator's sphere of influence.
3. Ensuring optimization of all health and safety aspects that are relevant in the context of the wild collection enterprise, including processing facilities.
4. Fully respecting tenure, access and use rights relevant to the collection of wild resources and supporting the development of fair Access and Benefit Sharing agreements as applicable in the local context.

Some aspects overlap with FairTrade principles (e.g. fair wages or other type of payment) and are covered in section B of this guidance manual.

As compared to operators that work in the cultivation of plants, socially responsible management practices include some extra requirements for wild collection operators. The first and main challenge is the establishment of transparent and efficient management structures; wild collection operators often face a higher seasonality of their work, because land with wild resources is mostly less managed than cultivated land or it is managed by different organizations (e.g. land under state control). Hence, collectors are in most cases seasonal employees or seasonally contracted independent service providers. The development and implementation of socially responsible practice concepts can therefore be more challenging than in the case of operators that work with smallholder farmers or plantation workers.

The following operational levels and related target groups are part of the FairWild Standard control requirements:

1. **Collectors – irrespective whether contracted, subcontracted or part of a collector group organization**
2. **Workers at Purchase Centres – in case an operation works with purchase centres**
3. **Workers in Processing and Export facilities**

For FairWild certification, the social responsibility requirements must be complied with on all three levels.

1.2 FairWild Principles

Three of the eleven FairWild Principles directly relate to social responsibility requirements. These are:

Principle 4: Respecting Customary Rights and Benefit Sharing

Principle 6: Limiting Participation of Children in Wild-Collection Activities

Principle 8: Ensuring Fair Working Conditions for all Workers of Wild-Collection Operations

In addition, some indicators covered in other Principles refer indirectly to social responsibility requirements. All Principles are further defined by **Criteria**. While the Principles provide the general topics that are covered by the FW Standard, the **Criteria** define important sub-chapters. The third Standard level are the **Performance Indicators**. These list all core provisions of the Standard that need to be implemented and against which compliance with the FairWild Standard is verified during audits and in the certification process. For further definitions please refer to the Glossary.

Contrary to organic certification, FairWild is no full supply chain certification yet. While there are certain requirements also for the buyers of FairWild products (see Principle 11; FairWild Foundation 2010a and b), processing other than primary processing by the operator, is only included in the certification process if it is carried out in a high risk setting.

2. Principle 4: Respecting Customary Rights and Benefit Sharing

Traditional use and practice in the utilization of wild plants, fungi and lichens, especially if used in a medicinal context, are one of the main assets of local communities and indigenous peoples, for various reasons. First, wild plants can be an important part of people's food supply and the basis of traditional medication. Second, wild local plants are often in high demand by the pharmaceutical industry both in the country of origin and abroad. Hence, wild plants can be valuable goods for a wider community of people. This has led to pressure on many natural resources and the populations of quite a few of them have been dwindling in the past decades. Local communities and indigenous peoples are the first to suffer from this development. For this reason, mechanisms how to make sure that traditional access and use rights are protected and benefits from the use of wild plants, lichens and fungi are equitably shared, have been in discussion for over a decade. The 'Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from the Utilization' (October 2010; publication pending) for the first time offers an internationally accepted framework for such mechanisms and must be observed by all operators who want to extract genetic resources from the wild.

2.1 Criterion 4.1: Traditional Use and Practice, Access Rights, and Cultural Heritage

a. General Explanation of the Criterion and Background

Adherence to Criterion 4.1 provides the basis for cooperation with local communities and indigenous peoples and for access and benefit sharing agreements (see also Criterion 4.2) if relevant. As a first step, research into the traditional use and practice as well as access and tenure rights is required. This includes the importance of plants within the cultural and religious context of the local communities and indigenous peoples. Results from this research should be included in the management plan, which must be developed together with all relevant stakeholders. The management plan must consider the impact of the planned or ongoing collection activities on plant resources and hence the traditional use rights of local communities and indigenous peoples.

b. Minimum Requirements

4 of the 6 performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

- 1. AVOID LOSS OR DAMAGE OF WILD PLANT POPULATIONS.**
Any loss or damage to plant populations that has negative impact on local communities' or indigenous people's access and use rights or their cultural heritage and integrity must be prevented. If such loss or damage occurs, adequate and sustainable measures must be taken to stop and reverse the negative impact.
- 2. ENSURE CONTINUITY OF ACCESS TO TARGET RESOURCES.**
Operators must take care that local communities and indigenous peoples have continuous access to the wild target resources for their own use. Commercial collection must not result in a deterioration of resource quality or quantity available for traditional use by local communities and indigenous peoples.

MINIMUM REQUIREMENTS FROM YEAR 3:

1. TRADITIONAL USE AND ACCESS RIGHTS ARE PART OF MANAGEMENT-PLANNING.

The management plan of the wild collection operation must include traditional use and practice, assess rights and measures to ensure that these are guaranteed over the long term. These aspects must also be included in resource assessment, monitoring and sustainable yield calculations.

2. FAIR COMPENSATION AND GRIEVANCE MECHANISMS.

The operator must develop and include in the management plan fair mechanisms to provide compensation to local and indigenous resource users in case of damage to or loss of target plant populations or of other plant populations if the operation's activities are the cause of such damage or loss. In addition, grievance mechanisms and procedures must be developed and included in the management planning.

c. Performance Beyond Minimum Requirements

While basic research of traditional use and practice, assess rights and local cultural and religious heritage are a necessary prerequisite to fulfil the minimum requirements detailed above, the level and depth of such research can exceed the basic requirement and will then be considered performance beyond minimum requirement. The same applies to the level of impact assessment of collection activities.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 4.1 it is recommended that all wild collection operators develop a comprehensive management planning strategy and research concept. This may include for example:



Research Concept, including:

- Interviews with local community / indigenous people's leaders
- Interviews with local doctors, healers, medicine men / women etc.
- Literature review with regard to traditional use and practice
- Visit to local authorities with regard to access and use rights
- Interviews and cooperation with local social NGOs
- Workshops and participatory outreach meetings in communities

Management Planning:

- Including all local stakeholders in the management planning (development and implementation) process
- Including local stakeholders in the resource assessment and monitoring
- Definition of sacred sites that are excluded from collection activities
- Development of compensation mechanisms together with local stakeholders
- Access and Benefit Sharing agreements or Memoranda of Understanding (MoUs)

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). With regard to Criterion 4.1 the following documents will be checked and should be available, if applicable:



- Documentation of research on traditional use and practice of local communities and indigenous peoples at least with regard to the target species.
- Overview of use and access rights to natural resources.
- Documentation on cultural and / or religious significance of target species in and around the collection area, including the identification of sacred sites.
- Study on impact of wild collection activities on access to and traditional use and practice with regard to target species.
- Adaptive management plan (if already developed; otherwise management planning concept or draft management plan).
- Access and Benefit Sharing agreements
- MoUs of the collection operation with local communities and / or indigenous peoples.
- Workshop minutes or other written output.
- Agenda of stakeholder meetings.
- List of stakeholders included in the management planning process.

2.2 Criterion 4.2: Benefit Sharing

a. General Explanation of the Criterion and Background

Criterion 4.2 builds on the provisions of Criterion 4.1 and covers the more formal aspects of agreements to ensure the efficient implementation of Principle 4. It reflects the implementation of research carried out as described above and includes requirements with regard to information flow and exchange participation of stakeholders, namely from local communities and indigenous peoples, and the formulation of ABS agreements as appropriate and required in the international, national and local context.

b. Minimum Requirements

Four of the six performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

- 1. AGREEMENTS IN COMPLIANCE WITH LEGAL PROVISIONS.**
Agreements made between the operator and local communities or indigenous peoples must follow the international requirements with regard to ABS as detailed in the Nagoya Protocol and other relevant documents and must be in compliance with any relevant national or local law or regulation. Agreements must consider Traditional Knowledge (TK) and Intellectual Property Rights (IPR) if applicable.

MINIMUM REQUIREMENTS FROM YEAR 2:

- 2. AGREEMENTS ARE BASED ON PIC AND MAT**
All agreement on resource access and use as well as TK must be developed and negotiated in a participatory and open manner. This includes the application of the principles of Prior Informed Consent (PIC) and Mutually Agreed Terms (MAT). In

short, local resource users and holders of access rights and TK must be informed about the operator's commercial sourcing plans and concepts and approve them. There must be a clear, transparent and sufficiently documented process of how agreements for access to TK and equitable distribution of benefits resulting from the commercial use are reached.

3. AGREEMENTS MUST REFLECT CURRENT KNOWLEDGE.

ABS and similar agreements must be based on the current state-of-the-art and on all available relevant knowledge from scientific work, local and industry practices, governmental and NGO framework provisions or guidance or any other relevant source.

MINIMUM REQUIREMENTS FROM YEAR 3:

4. ABS AGREEMENTS IN PLACE.

After three years, ABS agreements between the operator and local communities and indigenous peoples must be available. As a minimum, there must be a written concept that has been developed according to the principles of PIC and MAT and has been approved by all stakeholders. If full ABS agreements are still not completed, there must at least be an agreed schedule for completion.

c. Performance Beyond Minimum Requirements

Additional control points within this criterion address the result of ABS or similar agreements and the perception of these results by the stakeholders. i.e. whether or not the agreements are perceived as fair. Impacts of ABS agreements should be analysed regularly and corrective action taken if necessary. The ultimate goal should be a sustainable positive impact of ABS or similar agreements on the local communities and indigenous peoples and their traditional use and access rights as well as cultural or religious practices.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 4.2 it is recommended that all wild collection operators promote the development of ABS or similar agreements and monitor their impact. This can e.g. include the following actions:



ABS agreements:

- Review of legal prerequisites with regard to ABS
- Analysis of the local circumstances and their relevance for ABS agreements
- Information of local communities and indigenous peoples about ABS, its principles and intended impact.
- Open and documented negotiations in developing ABS agreements.
- Implementation of PIC and MAT principles.
- Concept and timeline for developing ABS agreements.
- Review process of existing ABS agreements.
- Workshops and participatory outreach meeting in communities.
- Cooperation with relevant state agencies and NGOs in the development of ABS concept and agreements.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). With regard to Criterion 4.2 the following documents will be checked and should be available, if applicable:



- MoUs of the collection operation with local communities and / or indigenous peoples.
- ABS development concepts.
- Access and Benefit Sharing agreements.
- Workshop minutes or other written output.
- Agenda of stakeholder meetings.
- List of stakeholders included in the ABS agreement development process.
- Study on impacts of ABS agreements.

3. Principle 6: Limiting Participation of Children in Wild-Collection Activities

Child labour is one of the major concerns in all social and fair trade standards. Abuse of children and young workers is widespread around the world and the wild collection sector is no exception. Provisions with regard to child labour do not fully exclude children and young workers from assisting in farming or wild collection activities, but aim to making sure that no internationally prohibited and exploitative forms of child labour exist. While children are not allowed to be employed by any operator, they can help their parents or family during collection and simple processing activities, as long as this work is only light and not hazardous to their health, limited in time according to their age and does not prevent them from visiting school or getting other forms of formal education as regulated by the law. Due to the high sensitivity of this topic FairWild auditors are trained to cover this principle as comprehensively as possible. Additional audit time may be required for external research such as visits to schools and relevant local NGOs, particularly in areas where absence from school or incomplete formal education of children are known to occur regularly.

Operators must inform the certification agency immediately if they come to know of prohibited forms of child labour within their responsibility and inform the certification agency of the remedial actions to be taken. Depending on a risk assessment, the certification agency may carry out a spot-check for verification. Failure to inform the certification agency about the detection of prohibited forms of child labour may lead to an immediate suspension of certification.

3.1 Criterion 6.1: Children and Young Collectors

a. General Explanation of the Criterion and Background

Criterion 6.1 covers the contractual side of child labour and is therefore short and straightforward. As a principle, children under the age of 15 are not allowed to work anywhere as contract workers. In some countries it is legal to employ children under the age of 15 but FairWild applies a stricter rule here, as employment of children under the age of 15 is internationally not accepted.

While young workers between 15 and 18 years of age can be employed, the employer needs to be extra careful that young workers do not perform labour that is unsuitable for their age or hazardous to their health.

b. Minimum Requirements

Both performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. NO CHILDREN UNDER 15 CONTRACTED AS COLLECTORS.

This provision is absolute and there is no exception to it. If an operator employs children under the age of 15 in the first year, it must develop a remedial action plan demonstrating to phase out child labour within one year. The reason for this provision is that immediate ‘firing’ of child workers can have negative consequences for the children and – due to the lack of time to adapt to the situation – they may end up in worse forms of exploitation. The transition period should help avoid such a development. Operators must support the children and their families during the transition period to increase the chances of continuous education of children before they enter the work process.

MINIMUM REQUIREMENTS FROM YEAR 2:

2. YOUNG COLLECTORS ARE MONITORED AND PERFORM ONLY ADEQUATE TASKS

Collectors between 15 and 18 years of age are allowed to be contracted by the operation and perform collection and simple processing work. Young collectors must always be supervised and must not perform heavy work that could be dangerous to their health and safety. Young workers are not allowed to work at nighttime.

c. Performance Beyond Minimum Requirements

Not relevant because all performance indicators of this criterion are minimum requirements.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 6.1 it is recommended that all wild collection operators develop a social policy that excludes children under 15 to be employed and work as collectors and that defines the responsibilities of the operator for health and safety of young workers.



Child labour and young workers:

- Develop and implement Social and Employment Policy.
- Exclude young workers from hazardous work through a specific provision in the work contract.
- A complete collectors list must be kept up-to-date at all times. The list should – besides other information – also include the age (date of birth) of each collector. Age must be proved if necessary. Undocumented age statements are not acceptable.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). With regard to Criterion 6.1 the following documents will be checked and should be available:



- Work / Employment / Collection Contract
- Social and Employment Policy
- Collectors list; proof of age
- Remedial Action Plan, in case children are still employed or contracted as collectors or workers
- ICS documentation (if ICS implemented)

3.2 Criterion 6.2: Collectors Contracting Children for Collection Work

a. General Explanation of the Criterion and Background

In Criterion 6.2 collectors are targeted that employ or contract – orally or in writing – other collectors to support them in the collection activities. In principle, the same rules with regard to child labour (children and young workers) apply to these collectors as to the collection operator.

While these collectors do have a certain responsibility to avoid prohibited forms of child labour it is the ultimate responsibility of the collection operator to supervise the collectors and make sure that no subcontracting of children occurs and that young workers are treated as indicated above (Criterion 6.1).

b. Minimum Requirements

All three performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. NO CHILDREN UNDER 12 CONTRACTED AS COLLECTORS.

Similar to Criterion 6.1, this provision is absolute and there is no exception to it. The difference is the age limit and the type of contracting. If collectors sub-contract (orally or in writing) collection activities to children, the first age limit is 12 years; under this age, no children are allowed to work for any collector. If a collector still works with children under the age of 12 in the first year, a remedial action plan must be developed that results in phasing out child labour within one year.

2. YOUNG COLLECTORS ARE MONITORED AND PERFORM ONLY ADEQUATE TASKS

Collectors between 15 and 18 years of age are allowed to be sub-contracted by a collector and perform collection and simple processing work. Young collectors must always be supervised and must not perform heavy work that could be dangerous to their health and safety. Young workers are not allowed to work at nighttime.

MINIMUM REQUIREMENTS FROM YEAR 2:

3. CHILDREN BETWEEN 12 AND 15 DO ONLY LIGHT WORK.

Collectors are allowed to sub-contract collection work to child workers between 12 and 15, if the time of daily work does not exceed 2 hours, only pocket money is earned by the children and their work does not jeopardize regular school visit and education. Collection during school hours is prohibited unless common collection activities are organized by or in cooperation with the school.

c. Performance Beyond Minimum Requirements

Not relevant because all performance indicators of this criterion are minimum requirements.

d. Implementation Guidance and Suggestions

General Recommendation: The provisions of this Criterion have been debated at length and are still to some degree controversial. For this reason it is **HIGHLY RECOMMENDED** to operators to avoid any form of child labour through sub-contracting by other collectors and do not allow sub-contracting of collection work to children between 12 and 15 at all, because this can be interpreted as by-passing the provisions of Criterion 6.1.

In order to implement the provisions detailed in Criterion 6.2 it is recommended that wild collection operators ensure that the social policy indicated above (Criterion 6.1) is also applicable to collectors sub-contracting collection work.



Collectors sub-contracting children and young workers:

- Extend applicability of Social and Employment Policy (Criterion 6.1) also to collectors sub-contracting children or young workers.
- Develop a collector contract that includes the child labour and young worker provisions for any collector who wants to sub-contract activities.
- A complete list of sub-contracted collectors must be kept up-to-date at all times. The list should – besides other information – also include the age (date of birth) of each collector.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). For this purpose, the auditor(s) must interview all collectors who sub-contract activities. This includes a check of documentation of these collectors.

With regard to Criterion 6.2 the following documents can be checked and should be available:



- Work / Employment / Collection Contract of operator and of the sub-contracting collector
- Social and Employment Policy (scope)
- Remedial Action Plan, in case children are still sub-contracted as collectors or workers
- Collectors List (including age indication and proof of age)
- ICS documentation (if ICS is implemented)

3.3 Criterion 6.3: Children Helping Their Parents in Collection

a. General Explanation of the Criterion and Background

Children helping their parents during collection activities are allowed to work at earlier age (even under 12) if they only carry out light work, for a very limited time and if are under constant supervision. Under no circumstances must these collection activities interfere with the children's education. This is in line with the International Labour Organization's (ILO) conventions 33, 138, and 182, but it must be closely monitored by the operator to avoid violation of the restrictions and prohibited forms of child labour. Auditors are trained to be sensitive to all forms of child labour; certification agencies may schedule unannounced spot checks during

the harvesting season if there are indications of prohibited forms of child labour or if operators do not monitor the situation closely.

b. Minimum Requirements

Two out of three performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 2:

1. CHILDREN UNDER 12 HELPING THEIR PARENTS

Children under 12 are only allowed to help their parents during collection if the time is limited to a maximum of two hours per day, if they only carry out light work that is not hazardous to their health and if they are constantly supervised. Such activity must not interfere in any way, direct or indirect, with regular school attendance and education success. If children work in excess of these limits the operator must take immediate action. The operator should develop, together with the parents, a plan of how to reduce child labour so that it is within the allowed limits and to improve school attendance.

2. CHILDREN BETWEEN 12 and 15 HELPING THEIR PARENTS.

The same rules apply as under point 1. The daily time limit is three hours after school and seven hours during school holidays. Children are not allowed to carry out substantial work.

c. Performance Beyond Minimum Requirements

Young people between 15 and 17 can assist their families during collection and processing if the work they perform does not jeopardize their health.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 6.3 it is recommended that wild collection operators keep a close and constant overview of the collection activities and the situation of children helping their parents during collection activities. If violations of the regulations occur or suspected the operator should get in contact with the respective families immediately and develop a plan how to reduce the work load for children and eliminate prohibited forms of child labour. The plan and actions must be documented in writing.



Children helping their parents in wild collection activities:

- Develop a collector contract that explicitly includes child labour restrictions.
- Train collectors with regard to the regulations on child labour. Training attendance and contents should be documented.
- A complete list of sub-contracted collectors must be kept up-to-date at all times. The list should – besides other information – also include the number of family members helping during collection and the age of children who are involved (including proof of age).
- If prohibited forms of child labour occur, develop remedial action plan (in writing) together with the families. Timelines must be included.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). For this purpose, the auditor(s) interview selected collectors and their families.

With regard to Criterion 6.3 the following documents can be checked and should be available:



- Collection Contract (including child labour regulations)
- Social and Employment Policy
- Remedial Action Plan, in case there are prohibited forms of child labour
- Collectors List (including number of helping family members and age of children, incl. proof of age)
- Training documents (training manual; topics of training; signed attendance list)
- ICS documentation (if ICS is implemented)

4. Principle 8: Ensuring Fair Working Conditions for All Workers of Wild Collection Operations

Principle 8 is the core principle for worker rights. The term worker includes all workers employed by the operator in processing, packaging, trading, administration and the management of the collection operation and field extension staff. The criteria of Principle 8 comprise more performance indicators and topics than any of the other Principles of FairWild. They are based on international labour rights and basic certification and similar standards such as SA 8000, ETI base code, the Fair for Life certification programme and others.

These core labour rights include the following general topics:

- Wages
- Social Benefit Payments
- Employment and Working Conditions
- Non-discrimination
- Freedom of Association
- Disciplinary Practices
- Health and Safety

FairWild operators should develop a social policy which provides details on all these topics. It may be combined with the operator's Fair Trade Policy (see Part B).

4.1 Criterion 8.1: Basic Labour Rights for Wild-Collection Operation Staff

a. General Explanation of the Criterion and Background

Criterion 8.1 covers all important basic labour rights such as the absence of forced labour and prohibited forms of child labour, as well as freedom of association, non-discrimination and disciplinary practices. The performance indicators are kept relatively general.

b. Minimum Requirements

Six out of the nine performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. NO FORCED LABOUR

The operator is not allowed to force people or their families or relatives to work in the operation. Original identity cards or passports must not be kept by the operation. Workers must be free to leave the operation at any time within the contractual notice period.

2. NO CONTRACTING OF CHILDREN

For details see 3.1

MINIMUM REQUIREMENTS FROM YEAR 2:

3. FREEDOM OF ASSOCIATION

The operator must guarantee freedom of association to all workers. They have the right to join existing worker unions or form new unions. Union busting activities are not allowed. Collective bargaining must be allowed. Unionized workers must not be discriminated against. Worker unions within the operator's staff can hold regular meetings during work hours; the operator's management is only present at such meetings upon invitation.

4. NO CHILDREN ASSISTING WORKERS

Children under the age of 15 must not assist their parents or other workers. The operator must ensure that no such child labour occurs in the entire operation.

5. YOUNG WORKERS

Young workers (15-18 years) only carry out work that is adequate for their age and does not jeopardize their health. No heavy duties, shift work or nighttime work are allowed for young workers. The total working time must not exceed 10 hours per day, including school or other education.

6. NON-DISCRIMINATION

No systematic discrimination based on gender, race, caste, origin, or gender, is allowed with regard to wages and remuneration. This also includes non-discrimination based on political affiliations or religious beliefs.

c. Performance Beyond Minimum Requirements

Indicators that are not directly related to minimum requirements include provisions against discrimination in hiring practices, abusive language or actions and sexually coercive physical contact. Disciplinary practices must not violate human rights and dignity. It is not allowed to punish workers by deductions from their wage, unless workers agree out of their own free will. Corporal punishment is not permitted. While these indicators are not marked as minimum requirements, they are crucial for all socially responsible companies; failure to comply with these aspects or articles of the Universal Declaration on Human Rights (UN 1948) will most likely result in non-certification or suspension of certification of an operator.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 8.1 it is recommended that the wild collection operator develops a social policy that details all worker right aspects. This social policy should be made

accessible to all workers and be annexed to their contracts. For the development and implementation of the social policy it may be useful to consider the following aspects:



Forced Labour and Non-Discrimination:

- Inform workers about their rights.
- Encourage workers to organize themselves, e. g. through holding regular general worker assemblies and electing their representatives. It may also be useful to encourage them to elect two ombudsmen, ideally one from each gender.
- Do not conduct any union busting activities or mandate such activities to other companies. Do not establish employer-driven worker unions.
- If discrimination is an issue, a responsible non-discrimination officer can be selected in the management team of the operator. This person should also be able to act as a mediator between different interests or groups.

Disciplinary Practices

- Develop a written catalogue of disciplinary measures. This catalogue should make it transparent what type of misbehaviour would result in which disciplinary consequence. Workers should receive a copy of the catalogue.
- Except in very serious cases (e.g. proven sexual harassment) a stepwise approach should be chosen. Talks with supervisors, and oral and written warnings should precede more serious disciplinary measures.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). Compliance checks include document review and interviews with staff from all units of the operation. With regard to Criterion 8.1 the following documents may be checked and should be available:



- Social and Employment Policy
- Work / Employment Contracts
- Remedial Action Plan, in case children are still employed or assist workers
- Catalogue of disciplinary measures
- Records of disciplinary measures taken in the past
- Worker union statutes
- Worker assembly agenda and minutes
- Grievances and grievance procedure

4.2 Criterion 8.2: Safe Work Environment for Wild-Collection Operation Staff

a. General Explanation of the Criterion and Background

Criterion 8.2 focuses on health and safety aspects of the operator's work environment. The level of implementation is normally risk based. Requirements are e.g. stricter for high risk processing units than for an operator's administrative unit. In many countries, most health and safety aspects are already verified (and often certified) by state agencies and usually documented in inspection reports and letters of approval or corrective

action plans (e.g. fire protection requirements). In these cases, it is useful to inform the FairWild certification agency about the relevant aspects covered and to provide the respective certificate.

b. Minimum Requirements

Seven out of the thirteen performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. SAFE MACHINERY AND EQUIPMENT

Machinery and equipment used by the operator should be as safe as possible in all units to reduce the risk of work related accidents and hazards to the health of workers.

2. PROTECTION OF RISK GROUPS

Pregnant women or other risk groups (e.g. disabled people; workers with chronic illnesses) should not be exposed to specific risks or hazards to their health. Tasks and procedures should be adequate to their abilities.

3. EMERGENCY PROCEDURES

Emergency exits must be in place in all units. These should be clearly marked easily accessible and unobstructed at all times.

4. SAFETY SITUATION

The safety situation at the operator should be continuously monitored and work related accidents reduced. Causes are analyzed and adequate measures taken in case of serious and / or frequent accidents.

MINIMUM REQUIREMENTS FROM YEAR 2:

5. PERSONAL PROTECTION

Adequate personal protection equipment (PPE) is provided for free to all workers exposed to specific risks or contaminations, e.g. through chemicals, dust, noise or light. All PPE should be functional at all times and workers should be trained and encouraged to use the equipment.

6. FIRE FIGHTING

Fire fighting equipment is installed in adequate density throughout the operation. It must be operational at all times.

7. ADEQUATE ACCOMMODATION

If the operator provides accommodation for workers, the accommodation must be clean, safe, provide sufficient space and privacy and should be adequately equipped.

c. Performance Beyond Minimum Requirements

In addition to the minimum requirements the social responsibility indicators also include adequate ventilation of work environments, easy access to potable water free of charge, and worker training. It is important that workers receive sufficient information about the procedures established e.g. health and safety risks, emergency

procedures, and first aid training. A completely equipped first aid box is also required. Medicine and supporting material in first aid boxes should be useable and must be replaced by the expiry date indicated. Application of medicine, use of first aid boxes and accidents should be recorded in a medical and accident record.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 8.2 it is recommended that the wild collection operator appoints and trains at least one safety officer. Depending on the size of the operation two or more staff members should be trained in first aid. To optimize health and safety of all workers the following aspects may be considered:



Health and Safety:

- A risk analysis of the machinery and equipment used should be carried out, identifying potential hazards to the health of the workers and measures to increase security. An implementation plan should be developed, including timelines, and put into practice. Adequate PPE should be given to all workers who work in a place for which specific protection is required or which has been identified as a risk zone.
- Emergency and evacuation drills should be carried out regularly to make sure that the workers know what to do in case of an emergency and are able to react quickly.
- First aid training should be provided regularly to all workers responsible for first aid and to the safety officer.
- Emergency and evacuation drills should be carried out with all workers.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). Compliance checks include document review, visual analysis of all units of the operator and the safety situation in these units and interviews with the safety officer and other staff. With regard to Criterion 8.2 the following documents may be checked and should be available:



- Safety risk assessment of machinery and equipment
- Accident records
- Medical records
- First aid box maintenance documentation
- First aid training
- PPE distribution records and PPE use training documentation
- Safety officer training
- Documentation of emergency and evacuation drills

4.3 Criterion 8.3: Fair Employment Conditions for Wild-Collection Operation Staff

a. General Explanation of the Criterion and Background

Criterion 8.3 provides indicators for the employment conditions of all staff of the operation. It includes contracts, the payment of fair wages and social benefits, working hours and overtime, free time and holidays.

The provisions are based on general international good practices and socially responsible employment conditions.

b. Minimum Requirements

Nine out of the 22 performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. MINIMUM WAGES FOR PERMANENT WORKERS

All permanent workers must at least be paid minimum wages as stipulated by the law in the national or regional context. If there are no defined minimum wages in a country, the industry standard payments in the country or region are used for comparison and as a benchmark.

MINIMUM REQUIREMENTS FROM YEAR 2:

2./3. WORK CONTRACTS PERMANENT / TEMPORARY WORKERS

Employment conditions are clearly defined and known to the worker, normally through a work contract or similar employment agreements.

4. MINIMUM WAGES FOR TEMPORARY WORKERS

All temporary workers must at least be paid minimum wages as stipulated by the law in the national or regional context. If there are no defined minimum wages in a country, the industry standard payments in the country or region are used for comparison.

5. TIMELY PAYMENT

Wages are paid on time as agreed upon in the work contract / employment conditions.

6. DOCUMENTATION OF PAYMENT

All payments are documented by the operator. Workers receive monthly pay-slips on which wages, social benefits and all deductions are indicated.

7. WORKING HOURS

The maximum working hours do not exceed 60 hours per week. In exceptional cases and peak seasons it is possible to average the working hours over one month.

8. RETIREMENT / PROVIDENT FUND

The operator must establish a retirement / provident fund for workers, as stipulated by the law. All operators are encouraged to provide basic retirement fund coverage for all employees, irrespective whether permanent or temporary.

MINIMUM REQUIREMENTS FROM YEAR 3:

9. WAGES MEET BASIC NEEDS

The wages paid must meet the basic needs of the workers and their families. They should also provide some discretionary income to workers.

c. Performance Beyond Minimum Requirements

In a socially responsible operation it is expected that a higher level of social employment conditions are implemented than defined as the bare minimum. Working hours should normally not exceed 48 hours per week and overtime should be voluntary and time compensated or paid to the workers. Wages of permanent workers should not differ from those paid to temporary workers if they have the same tasks and responsibilities (same wage for same work). It is general practice that holidays are paid and that at least one day out of seven is free for all workers. In addition, social benefit payments are encouraged. In most cases some of them are legal requirements such as health insurance, paid maternity leave and basic unemployment insurance and retirement funds.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 8.3 it is recommended that the wild collection operator develops and implements a social and employment policy. It should comprise information about all aspects covered by this criterion. The following considerations may be taken into account:



Employment Conditions:

- If no minimum wages are defined in your country or if they are not defined for the sector, carry out research on the average payment in the sector in the country or region. FairWild operators should pay to their employees wages that are above the average wage and allow for some discretionary income.
- Try to provide as many permanent work positions as reasonably possible to contribute to employment security. Relying on the services of temp work agencies should be avoided. If it is inevitable there should be no difference in payment between temp work labour and permanent workers for the same type of work profile.
- Social benefit payments are an important asset for workers, provided that the insurance agencies work well. Try to select trustworthy partners. If state controlled funds do not work well, private insurance providers (e.g. health insurance; retirement funds) may be an alternative, provided that choosing state funds is not compulsory in your country.
- All workers must be legally registered, as stipulated by the national or supranational legislation.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). Auditors will check all relevant documents available and carry out interviews with selected workers and operation staff. With regard to Criterion 8.3 the following documents may be checked and should be available:



- Work / employment contracts
- Payment records and pay-slips
- Work time registration
- Worker registrations

Part B: Fair Trade Principles

1. Introduction

Fair trade as a concept has been developed by progressive companies in the food and cosmetic sectors already in the 1970s without calling their approach 'fair trade'. The name only became popular in the 1990s with the success of the Fairtrade Labelling Organization (FLO) and its national initiatives. The basic pillars of fair trade were a fair price (based on definitions of minimum prices per commodity and country of origin), a FairTrade Premium for funding social community projects, prepayment to producers and reliable trade relationships between trade partners. Originally, the concept focused on 'South-North Trade', i.e. from so called developing countries to so called developed countries. It was designed to support especially smallholder farmers in poor countries and provide market access and better prices for them.

In the last few years, fair trade has considerably diversified, with regard to the scope of products traded, the standard concepts and the number of fair trade players on the market. Today, there is a variety of different initiatives which are not related to FLO that provide fair trade certification. FairWild is one of them. Since the early days of fair trade, a lot has changed. While there are still considerable differences in the economic wealth and poverty of countries, the old 'South-North' dichotomy is not valid any more. The social conditions and respect of worker rights in many 'rich' countries like the US and many EU countries have deteriorated and poverty is increasing. On the other hand, quite a number of 'Southern' countries have become economically more developed with an increasing part of the population who can be considered wealthy. Today, fair trade products are also sold in Brazil, India, Malaysia, Indonesia and many other 'Southern' countries, and there are fair trade production initiatives in the US and Central Europe.

FairWild takes these developments into account and therefore applies no restrictions on countries of production and import. Still, the principles of FairWild are based on general fair trade principles which are also applied by FLO, Fair for Life, Ecocert Fairtrade, Soil Association Ethical Trade and others.

1.1 Fair Trade in Wild Collection Operations

Fair Trade

The original Fair Trade concept was not designed for wild collection but smallholder farming. In the wild collection sector there are usually no smallholders but contracted collectors and workers. In many countries, these belong to the poorest groups within the society and are therefore the most obvious fair trade beneficiaries. In order to support these marginalized groups FairWild includes the following core fair trade aspects:

1. Fair relationships along the trade chain, between collectors and operators as well as between producer and buyer companies.
2. Payment of fair prices and mechanisms to make sure these are not only paid by the buyers but really benefit the collectors as main target group.
3. Setting up a FairTrade Premium Fund for Premium payments to be invested in social projects in the communities of the collectors / workers.
4. Transparent and participatory decision processes with regard to Premium use.
5. Encouraging buyers of FairWild products to become directly engaged in the fair trade system and take over more responsibility.

Some aspects overlap with Social Responsibility principles (e.g. fair wages or other type of payment) and are covered in section A of this guidance manual.

FairWild collection operators have two levels of fair trade responsibilities: first their relationship with the collectors and workers and their families and communities and second with their buyers of FairWild products. On the first level they need to make sure that fair trade prices and Premiums paid by the buyers directly benefit the collectors and workers through higher wages and salaries and that the Premiums are transparently administered and invested in social projects preferably in the collectors' and workers' communities. On the second level they have to negotiate fair trade prices and premium payment with their buyers and contribute to good working relationships that are the basis for long term trade relationships, which are one of the pillars of a fair trade concept. To ensure that these relationships are well defined and reliable fair trade partnerships, FairWild includes a number of principles that define implementation and control requirements for fair trade.

1.2 FairWild Principles

Three of the eleven FairWild Principles directly relate to fair trade relationships and requirements. These are:

Principle 5: Promoting Fair Contractual Relationships Between Operators and Collectors

Principle 7: Ensuring Benefits for the Collectors and Their Communities

Principle 11: Promoting Buyer Commitment

As in the Social Responsibility Principles, these Fair Trade Principles are further defined by **Criteria**. The third level are the **Performance Indicators**. These list all core provisions of the Standard that need to be implemented and against which compliance with the FairWild Standard is verified during audits and in the certification process. For further definitions please refer to the Glossary.

Principle 11 is an exception to the general structure of the FairWild Standard. As there are currently no audit and certification requirement for FairWild buyers, the two Criteria of Principle 11 are not further defined by Performance Indicators. The FairWild buyer obligations are only verified through self-assessment and documentation. From a control point of view, FairWild buyer commitments are verified during the FairWild audit at the collection operator.

2. Principle 5: Promoting Fair Contractual Relationship Between Operators and Collectors

Principle 5 defines the fair trade cooperation between the collection operator and its collectors. It aims at encouraging the establishment of open and transparent long term business relationships that are based on reliable information and contractual relationships.

In order to achieve such cooperation, FairWild operators should develop a Fair Trade Policy that defines their fair trade approach, obligations of the partners and the role of the collection operator as an intermediate company between the collectors and the buyer of FairWild products. The Fair Trade Policy can be combined with the operator's Social Policy and form one single document.

2.1 Criterion 5.1: Fair Contractual Relationships

a. General Explanation of the Criterion and Background

Criterion 5.1 targets the practice and structures of communication between the collection operator and the collectors. It includes the requirement to communicate openly about the establishment of a FairWild system and certification, transparent information about products requested (species and volumes) and prices, and the establishment of a long term cooperation based on a contractual relationship. In order to empower the beneficiaries of the fair trade system, the collectors and workers should associate and elect representatives who participate in the decision making process with regard to Premium fund use and represent the collectors in talks and negotiations with the collection operator.

b. Minimum Requirements

Only one out of six performance indicators of this criterion is a minimum requirement.

MINIMUM REQUIREMENTS FROM YEAR 2:

1. OPEN DIALOGUE WITH COLLECTORS

The operator is obliged to consider the collectors interest and act accordingly. For this purpose the collection operator should encourage the collectors to elect one or more representatives who participate in the decision making process with regard to FW Premium use. In addition, the collection operator informs the collectors on all relevant developments of its sourcing operation and FairWild initiatives.

c. Performance Beyond Minimum Requirements

Several indicators describe information obligations of collection operators. It is important that collectors receive sufficiently accurate information on the quality and volumes of the target species to collect (sustainable collection methods; quantities requested). To ensure long term cooperation, FairWild contracts should be developed with collectors. Contracts provide details on FairWild collection and handling requirements and rights and duties of both parties. Nevertheless, collectors and collection operation should be free to resign from the contract within an adequate and fair time frame.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 5.1 it is recommended that the wild collection operator develops a Fair Trade Policy. This policy should refer to the core indicators and criteria of the FairWild standard and adapt their implementation to the local situation. It should be made accessible to all collectors and workers of the operator and annexed to their contracts. To implement Criterion 5.1 the following aspects may be considered:



Fair Relationships with Collectors:

- Establish a mechanism through which collectors are regularly informed about all important developments (species, volumes requested, prices, Premiums etc.). Information could e.g. be provided during extension visits and training events.
- Encourage the election of collector and worker representatives who participate on the collectors / workers behalf in the decision making process of Premium Fund use. Collectors should associate and organize at least 1-2 assemblies per year.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). Compliance checks include document review and interviews with collectors and operation staff. With regard to Criterion 5.1 the following documents may be checked and should be available:



- Fair Trade Policy
- Collector contracts
- Information letters to collectors
- Statutes of collector groups / associations
- Agenda and minutes of collector assemblies
- Documentation of Premium use decisions

2.2 Criterion 5.2: No Discrimination Against Collectors

a. General Explanation of the Criterion and Background

Collectors often belong to different ethnic groups within the local society. Tensions between and resulting discrimination of different ethnic groups are not uncommon. Some societies are traditionally dominated by the members of one gender, usually men. This can often lead to discrimination of the other gender, usually women, who may face restrictions e. g. in becoming group members or who receive lower payments for the same work. Implementation and verification of Criterion 5.2 ensures that no such discrimination occurs.

b. Minimum Requirements

Two out of four performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. NO DISCRIMINATION IN COLLECTORS GROUPS

The operator must ensure that membership in collectors groups is open to all and that there are equal rights for all member of a collectors group. Discrimination based on race, colour, religion, gender, political affiliation, ethnic or social origin or other social distinctions must be avoided.

MINIMUM REQUIREMENTS FROM YEAR 2:

2. EQUAL CONDITIONS FOR COLLECTORS

All collectors, irrespective of their race, colour, religion, gender, political affiliation, ethnic or social origin must enjoy the same rights and have the same obligations in collector groups, unless individually elected or assigned to carry out specific tasks or functions.

c. Performance Beyond Minimum Requirements

Women do in many cases not enjoy the same rights as men. The collection operator should ensure that women are not excluded from collector groups or have restricted rights because of their gender. The same applies to men if they are discriminated because of their gender. Other groups that are disadvantaged also have to be accepted into collector groups as equal. In case of underrepresentation of certain groups, the collection operator should encourage them to become members of the collector groups.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 5.2 it is recommended that wild collection operators include a clear non-discrimination statement in contracts and develop a non-discrimination policy as part of the operator's Social and Fair Trade Policy. To implement Criterion 5.2 the following aspects may be considered:



Non-discrimination of Collectors:

- Develop a non-discrimination policy. All stakeholders should be included in the development. The non-discrimination policy should become a part of the general Social and Fair Trade Policy of the operator.
- Encourage disadvantaged or potentially discriminated groups to become actively involved in collector groups and support them wherever possible.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). Compliance checks focus on collector interviews. In case of suspicion of discrimination, auditor(s) may contact local NGOs for verification purposes.

With regard to Criterion 5.2 the following documents may be checked and should be available:



- Collector contracts
- Non-discrimination policy
- Non-discrimination statement
- Statutes of collector groups or of the operator

3. Principle 7: Ensuring Benefits for Collectors and their Communities

Principle 7 is the core principle of fair trade within the FairWild system. It deals with fair prices and FairWild Premiums. As prices are often fluctuating considerably within short time spans it is one of the main advantages of a fair trade system that fair prices are negotiated and determined at a certain level and collection operators and collectors have a more reliable basis for calculation. FairWild does not follow the principle of fixed minimum prices per commodity and country, because this system has certain inflexibility and such prices become outdated rapidly. FairWild rather relies on open and documented price negotiations between the trade partners and control of the pricing and negotiation process during the annual audit.

3.1 Criterion 7.1: Fair Pricing and Payments of Collectors

a. General Explanation of the Criterion and Background

Price calculations are based on cost calculations of the operator, market price developments and consumer prices. It is a core provision of FairWild that price negotiations must be fair and transparent. Criterion 7.1 includes indicators that focus on price developments and negotiations and benefits for collectors. Besides a fair price, diversification of production is a tool to achieve better collector benefits because it makes them less dependent on one product. An advantage of normal FairWild supply chains is that buyers either have direct contact with producers or there are at least only 1-2 intermediaries. This helps reducing the costs because intermediate traders tend to get a higher portion of the financial benefit than collectors and collection operations.

b. Minimum Requirements

Four out of seven performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. ON TIME PAYMENT TO COLLECTORS .

Collectors must be paid regularly and on time as agreed in the contract or similar agreement of cooperation. If collection operators are unable to pay collectors due to a lack of cash flow they should be able to ask their buyers for pre-payment.

MINIMUM REQUIREMENTS FROM YEAR 2:

2. PAYMENT OF HIGHER PRICES .

Collectors must receive a higher price (FairWild price) as soon as products are sold as FairWild certified. The FairWild mark-up price has to be higher than the conventional price for the same product. Normally the price should be at least 5% higher.

MINIMUM REQUIREMENTS FROM YEAR 3:

3. BASIC COST CALCULATION .

The collection operator should develop a basic cost calculation that reflects the real costs of production. It includes the collection costs (payments to collectors,

logistics, packaging material etc.), purchase and processing costs, training costs, overheads and profit margin. Also the specific FairWild costs such as resource assessment and management planning process should be included.

4. BASIC NEEDS OF COLLECTORS

The prices paid to collectors cover at least the basic needs of the collectors and their families. They should also provide some discretionary income. Cooperation with buyers and transparent cost calculations are an important prerequisite to achieve this goal.

c. Performance Beyond Minimum Requirements

In addition to the minimum requirements, FairWild requires that the price negotiation and setting mechanism is transparent, also for the collectors and their representatives in order to provide sufficient information to them as a basis for their own negotiations of a fair price paid to collectors. The collection operator should also promote the diversification of products to reduce dependency on one or few products and buyers and reduce production and handling costs reducing the number of intermediate traders in the supply chain.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 7.1 it is recommended that the wild collection operator develops a complete calculation of the costs of production to facilitate the price negotiations with buyers. To implement Criterion 7.1 the following aspects may be considered:



Fair Pricing and Payments:

- Develop a full and complete calculation of production costs. They should also include the extra efforts to implement FairWild provisions, such as resource assessment and management planning.
- If need be ask your buyers for pre-financing.
- Try to fix – together with the buyer(s) – a baseline price and calculate that producers should get more than for conventional produce.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual).

Compliance checks focus on documentation review.

With regard to Criterion 7.1 the following documents may be checked and should be available:



- Calculation of Costs of Production
- Payment records
- Documented price negotiation process

3.2 Criterion 7.2: FairWild Premium Use and Administration

a. General Explanation of the Criterion and Background

FairWild Development Premium funds are designed for funding social and related community projects, such as educational activities or facilities, health care funding, cultural event support and others. It is not designed for financing operational costs, facilities or equipment of the collection operation. The Premium Fund consists of payments made by the buyers of FairWild certified products. It must be administered on a separate account. A core element of FairWild Premiums is that all stakeholders, namely the target beneficiaries or their representatives, participate and vote in the Premium committee that decides on the use of FairWild Premiums. It usually encourages all stakeholders to submit suggestions of projects or facilities to be funded or supported. FairWild Premiums are an important component of the fair trade system, because they can contribute to providing benefits to whole communities beyond the direct financial benefit of the collectors and therefore increase the value, reputation and influence of sustainable wild collection operations.

b. Minimum Requirements

Three out of eight performance indicators of this criterion are minimum requirements.

MINIMUM REQUIREMENTS FROM YEAR 1:

1. RESPONSIBLE PREMIUM ADMINISTRATION

Premium funds must be administered responsibly and Premium use must be documented transparently. Administration can but does not need to be carried out by the collection operation. If external bookkeeping services or NGOs take over this task, the collection operation should make sure that these are reliable and trustworthy.

2. FairWild PREMIUM USE

The FairWild Premium should be used for investment into social projects. During the first 5 years it may be acceptable if the Premium or part of it is also used for improvements of sustainable collection.

MINIMUM REQUIREMENTS FROM YEAR 2:

3. PREMIUM USE DECISIONS

The Premium use decisions should be made by the collectors' assembly or a Premium use committee in which the collectors are prominently represented. Democratic structures for decisions about Premium use must be established.

c. Performance Beyond Minimum Requirements

All collectors should be informed about the use of the FairWild Premiums. The Premium Fund committee should write an annual report about the Premium use which is publicly available. Records of all expenses paid by the Premium Fund must be kept. These measures help avoid speculations and make the system transparent. It would be useful if the collection operation analyses the social impact of FairWild Premium funding after a certain period to see how effective it is and allow for adaptations if necessary. If the wild collection operation has sufficient financial flexibility it is certainly beneficial if it also invests in social projects beyond the use of FairWild Premiums.

d. Implementation Guidance and Suggestions

In order to implement the provisions detailed in Criterion 7.2 the wild collection operator should analyse the most efficient administration of the Premium and – if necessary – encourage the association of collectors to facilitate better participation of collectors in the FairWild Premium use decisions. To implement Criterion 7.2 the following aspects may be considered:



FairWild Premium:

- Ensure trustworthy administration of the FairWild Premium. If it is done within the collection operation, clear responsibilities should be determined. If it is administered externally, the collection operation should ensure a sufficient level of supervision.
- Especially in areas where collectors are individualists rather than associative, the collection operation may need to think of incentives to bring the collectors together. If collection areas are far apart it may be wise to encourage the development of local subgroups. These can elect their representatives who would participate in FairWild Premium committee meetings.
- Make sure that an annual FairWild Premium use report is being compiled.
- Indicate the agreed Premium amount on all invoices to FairWild buyers as separate item. If state regulations would claim high taxes on such funds, the Premium fund money could be included in the general invoice if there is sufficient documentation on the exact figures of FairWild Premium parts and proof that this share is transferred to the Premium account by the operator.

e. Control Requirements and Documentation

During the audit, the level of compliance with all performance indicators is assessed and verified by the auditor(s) (see Audit and Certification Process in the Introduction section of this guidance manual). Compliance checks focus on documentation review, interviews with management staff of the operator, collector representatives and the management of the FairWild Premium Fund.

With regard to Criterion 7.2 the following documents may be checked and should be available:



- Annual Premium Fund financial report
- Minutes of Premium Fund committee decisions
- Documentation of Projects funded by the FairWild Premium Fund
- Invoices to FairWild buyers

4. Principle 11: Promoting Buyer Commitment

Principle 11 is unique within the FairWild Standard. It is the only principle that directly targets the buyers of FairWild products and the only principle for which there are no performance indicators. As FairWild is no supply chain certification system yet, there are no audits at and certification of FairWild buyers. For this reason it would not be possible to verify compliance with such indicators. The FairWild buyers are only encouraged to make a self assessment of their performance. They should then provide documentary evidence of their commitment.

Two criteria are part of Principle 11:

11.1 Mutually Beneficial Trade Relations

11.2 Fair Prices and FairWild Premium

Wild collection operators are encouraged to monitor their trade relationship with the FairWild buyers under the perspective of the two criteria of Principle 11 and inform the certification agency about their observations during the annual audit.

Although no audits are carried out on the FairWild buyer side, it is part of any FairWild audit to check at the FairWild collection operator the relationships with and the commitment of the FairWild buyers and hence indirectly the performance of the FairWild buyers with regard to Principle 11.

The following documents may be checked for that purpose:



- Contracts or trade and cooperation agreements between FairWild buyer and collection operator
- Documentation of price negotiations
- Invoices to FairWild buyers
- Payments of FairWild buyers to the collection operator
- Written complaints of FairWild buyer or collection operator

Glossary

In this section, specific terms used in this guidance manual are defined. Where definitions are taken over (identically or adapted) from other publications, this is indicated in brackets:

Collection area:	Defined area where the collection of wild plants, which will be certified, may take place. The collection area needs to be indicated on a map. (from IMO & SIPPO 2005, adapted)
Conventional:	Any product that is not produced and certified by an accredited certification body according to the rules of the Standard in question (in this case FairWild) is considered as conventional from the perspective of this Standard.
Criterion:	State or aspect of a process or system, which should be in place as a result of adherence to a principle. The way criteria are formulated should give rise to a verdict on the degree of compliance in an actual situation. (from: FairWild Foundation 2010)
Cultivation:	Managed growing system, in which plants, lichens or fungi are not grown spontaneously but sown or planted and actively managed by a person or organization. Outside the scope of FairWild certification.
Operator:	Any individual or organization that organizes a wild collection operation and / or purchase / trade and or processing of the collected material. The operator is responsible for developing internal collection rules and systems, and for full compliance of the operation with the FairWild standard, including compliance with its social and FairTrade criteria.
Organic:	Certified organic according to an acknowledged organic standard and by an accredited certification body.
Performance Indicator:	Quantitative or qualitative parameter that can be verified to assess compliance with a criterion. Each performance indicator describes different levels of compliance to facilitate the control process and allow for demonstration of gradual progress. (from: FairWild Foundation 2010, adapted)
Principle:	Fundamental law or rule, serving as a basis for reasoning and action. Principles are explicit elements of a goal. (from: FairWild Foundation 2010)
Purchase centre:	Facility that buys collected goods from collectors. Purchase process and storage are verified during a FairWild audit. Social and fair trade criteria of FairWild are also applicable to the personnel of the purchase centre.
Standard:	Set of rules developed for conceptualization, implementation, and / or evaluation of good management practices. (from: FairWild Foundation 2010)

Abbreviations

Abbreviations used in this text are usually written in their full description with the abbreviation given in brackets when they are mentioned first and only used as abbreviations thereafter. This section provides a complete list of all abbreviations (in alphabetical order) that have been used in this guidance manual.

ABS	-	Access and Benefit Sharing
CBD	-	Convention on Biological Diversity
COP	-	Conference of the Parties
FLO	-	Fairtrade Labelling Organization
FT	-	Fair Trade
FW	-	FairWild
FWF	-	FairWild Foundation
ICS	-	Internal Control System
ILO	-	International Labour Organization
IMO	-	Institute for Market Ecology, Switzerland
IPR	-	Intellectual Property Rights
ISSC-MAP	-	International Standard for Sustainable Wild Collection of Medicinal and Aromatic Plants
IUCN	-	The World Conservation Union
MAT	-	Mutually Agreed Terms
MoU	-	Memorandum of Understanding
PIC	-	Prior Informed Consent
PPE	-	Personal Protective Equipment
TK	-	Traditional Knowledge
TRAFFIC	-	The International Wildlife Trade Monitoring Programme (joint programme of WWF and IUCN)
WWF	-	World Wide Fund for Nature (World Wildlife Fund in North America)

References

The following documents and publications have been used for and cited in this guidance manual:

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