

# **IBD**

## **CERTIFICATIONS**

### **FAIR TRADE CERTIFICATION PROGRAM**



**16<sup>th</sup> Edition - 2018**

**PROGRAM FOR FAIR RELATIONSHIPS IN TRADING  
SOCIALY AND ENVIRONMENTALLY CERTIFIED PRODUCTS**

**IBD CERTIFICATIONS**

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## INTRODUCTION

The global crisis set going answers in search of building a new paradigm capable of giving environmental, social, economic and political sustainability to the processes lived in the planet. According to CAPRA (1993), the beginnings of this change - the move from a mechanistic conception to a holistic one from reality - are already visible in all corners and are susceptible to dominate the present decade. Social, environmental, political and economic movements are articulated in different spheres, promoting changes in values, concepts and practices at local and global levels.

But, there is still a lot of transformation to be fomented, making that humanity, at the outset of XXI Century, is still asking: Which would be a more sustainable model from the social, economic, political and environmental point of view? Is this possible in the present juncture? What has to be done to reach it? These questionings are also being done by the top members of the United Nations – UN – and as a result on this search for answers international agreements have been produced towards a new development model.

In 1992 Rio de Janeiro saw the United Nations Conference on Environment and Development – ECO 92 - where a challenge was launched to the world, to find a common agenda among member countries, to alter the trend of development in the planet towards sustainability. In 1999 the UN launched the United Nations Global Compact program, directed to the international business community, in order to promote their commitment with fundamental values in areas such as human rights, labor and environment. In 2000, during the so called Millenium Summit, the member countries signed the United Nations Millenium Declaration, made up by the “Eight Targets of the Millenium,” to be urgently achieved by member countries until the year 2015. Other documents, similar to these, have also turned up, like the Kyoto Protocol, the Universal Declaration of Human Rights, the Earth Charter Action, besides an enormous array of laws and decrees ruling social and environmental management all over the world.

These UN initiatives, as much as all the other documents are fundamental, since they set parameters to be followed towards socio-environmental and economic sustainability among peoples living in the planet Earth. Nevertheless, according to VEIGA (2004), for the targets mentioned in these documents to be effectively met where the problems really are – immediate reality – they need to be incorporated by societies in their daily practice, as well as in the public policies of all countries.

The origin of the Fair Trade takes place simply after World War II North American when organizations were buying handicraft products from Puerto Rico . Thousand Village Organization , the first Fair Trade organization in the United States of America was also founded then . Both in Europe and in the States the first Fair Trade organizations were linked to churches that sought to foster trade with disadvantaged populations in developing countries. In 1988 the Max Havelaar Foundation Fair Trade certification emerged in the Netherlands and Switzerland, GEPA 3 in Germany which later gave origin to FLO (FairTrade Label Organization). During the conferences of organic products promoted by IFOAM ( International Federation Organic Agriculture Movements or ) in the 90s , including participation IBD , there was the question of whether organic agriculture would become ' fair ' or the Fair Trade would specialize in production organic. Neither occurred. Each form of organization and business sales went his own way. Recently the market demands increasingly organic and Fair Trade products in the same product Today there are several organizations working with Fair Trade , in the production , sale and certification reaching the mark in retail sales of approximately \$ 6-8 Billion in 2013.

Hence, IBD Certifications, while a certifier for products and processes, being concerned with the society and the environment, support organic agro-industrial production within economic, environment human and social sustainability patterns. Since 2004, aiming at improving locally the social, Fair Trade, and

environmental scenario, IBD Certifications launched the Fair Trade certification program. Fair Trade has been used in different kind of operations, in several countries, to implement the international principles, objectives and goals of sustainability. The creation of Fair Trade came from the recognition that the present social and environmental contexts in the planet indicate the adoption of more specific certification tools to audit socio-environmental issues present in businesses, farms and groups of certified producers, besides those already used in Organic Certification Protocols.

With the evolution of Fair Trade products Market and with the largest need to align the Fair Trade seal image to the Market, IBD promoted along the years a slow transformation of the seal image, leading to this last stage edition, to display only the Fair Trade wording on the seal. This way, IBD adapts and presents to the market an eminently Fair Trade seal, still bearing its innovative way of working.

Another necessary introduction and innovation is the creation of a standard for Family Farming Individual enterprises. Due to their lower social and environmental investment and dedication capacity, the continuous improvement criteria have been modified. Those enterprises will be considered Fair Trade when complying to the social, environmental and labor legislation and when such adjustment will be witnessed, through an audit.

Fair Trade brings innovations to the traditional Fair Trade concept. In this program the certifier does not establish minimum prices nor the Premium value. Product price must be linked to production costs and market negotiations, the latter having to happen under ethical principles, guaranteeing clarity, transparency and benefits for the producers. The Fair Trade Premium value is determined by the needs of investment in Social and Environmental Development Programs, according to goals established by producers/industries and approved by the Certifier. Another change is that the IBD Fair Trade scopes apply from now on to any product, be it organic or conventional (non-organic). Whenever an organic product is Fair Trade IBD certified it will mean that the use of pesticides is reduced to those allowed by the applied organic standards in use. Whenever no organic product is Fair Trade IBD certified it means that the pesticides to be used will follow APENDIX V and that IPM- Integrated Pest Management will be used.

Fair Trade certification aims at auditing enterprises, farms and groups of producers through the following development criteria:

1. human and,
2. social,
3. environmental and
4. economic

To be certified operations must present an initial diagnostic, pointing the social and environmental demands to be overcome. The operation must present an Action Plan detailing how the improvements will be implemented, with the purpose to fulfill all the minimum criteria listed in the Guidelines and, at least, two progress criteria related to environmental development and two related to the human and social, during the year of certification, excepted the family farming enterprise who are not subject to this criteria.

The Fair Trade Guidelines are based on the ILO – International Labor Organization Conventions, diverse International Protocols such as Agenda 21, the Global Compact and The UN Millennium Development Goals, as well as upon standards such as SA 8000, ISO 14.000, BS 8800, FLO and FFL-IMO. IBD is accredited by standardized international norms defined in ISO 17065, guaranteeing quality throughout the certification process.

In Fair Trade Program, some **criteria** are considered **critical**, in other words, they determine suspension or cancelling of certification, even if other criteria are being fulfilled. They are:

- ✓ Break of traceability.
- ✓ Deforestation of primary forests after 2016.
- ✓ Throw of effluents in water bodies in non-conformity with Environment Laws.
- ✓ Hunting, capture and trade of wild animals.
- ✓ Undue exploitation of the right to property.
- ✓ Inexistence of hiring and payment procedures with workers.
- ✓ Existence of discrimination: social, cultural, political, religious, ethnic, racial, sexual, age.
- ✓ Child labor.
- ✓ Forced labor.
- ✓ Workers exposed to risks without appropriate individual protection.
- ✓ The use of agrochemicals must happen under the responsibility of a properly trained professional, and following the country's norms.

**Criteria for Economic Development for candidates to Fair Trade, when applicable:**

- ✓ Promoting a fair trade relationship;
- ✓ To comply to the minimum criteria of economic development – fair trade. Improvement of labor or farmer livelihood, favoring their empowerment in the processes which determine improvements to their families and the people in their environment they relate to through product trade.
- ✓ Support to open, transparent and durable negotiations among the parties;
- ✓ Foment Social and Environmental Development in the productive chain, through payment of Fair Trade Premium;
- ✓ Establishment of safer and better production practices aiming at product quality.

**Criteria for Environmental Development, when applicable:**

- ✓ Adjustment to environmental legislation and regularization along environment agencies;
- ✓ Environmental Conservation;
- ✓ Environmental Recovery;
- ✓ Adequate management of water resources;
- ✓ Adequate management of solid residues;
- ✓ Adequate management of liquid effluents;
- ✓ Adequate management of gaseous effluents;
- ✓ Biodiversity conservation and increment;
- ✓ Reduction of environmental impacts generated by the production activity;
- ✓ Reduction in the emission of greenhouse effect gases;
- ✓ Support to Environmental Education;
- ✓ Other environmental aspects specific to each operation.

**Criteria for Human and Social Development, when applicable:**

- ✓ Commitment to Transparency;
- ✓ Lawful property;
- ✓ Adjustment to labor legislation and regularization along labor agencies;
- ✓ Support to union workers;
- ✓ Increment on work safety and health conditions;

- ✓ Equal rights and benefits to full time and part time workers;
- ✓ Partaking in results;
- ✓ Workers training;
- ✓ Training for producers groups management;
- ✓ Technical training for groups of producers;
- ✓ Ban to child labor;
- ✓ No discrimination: social, racial, religious, political, gender;
- ✓ Support to fundamental and continued education;
- ✓ Improvement on living, food and health conditions;
- ✓ Support to the woman worker, support to the pregnant and lactant;
- ✓ Support to the aged;
- ✓ Prevention and support to addictions users of tobacco, spirits and drugs);
- ✓ Support to social organization and participation;
- ✓ Other social aspects specific for each operation.

Upon enrolling in the Fair Trade Program, the operation must submit a Reference Term (Ground Zero Diagnostic) that characterizes its social and environmental aspects.

Considering the above mentioned, to be Fair Trade certified IBD is a guarantee that the operations are engaged in processes aiming a sustainable development and fair trade, attending the demand of conscious and aware consumers, ever growing in all countries.

Following, for a better understanding of the Guidelines, it is recommended the previous reading of the Glossary of Terms and Definitions presented in Appendix I.

## 1. FEATURES AND MODE OF OPERATION

### 1.1. Standard Scope

1.1.1 IBD Fair Trade is a Socio-Environmental and Fair Trade Certification System.

SCOPE	MINIMUM REQUIREMENTS	LABELING
<b>Fair Trade</b>	1) To comply to labor, sanitary and environmental national legislation; 2) To comply to the minimum criteria of economic development – fair trade. Improvement of labor or farmer livelihood, favoring their empowerment in the processes which determine improvements to their families and the people in their environment they relate to through product trade.	To use the seal in a product or promoting material will be permitted as established in the item 1.6.2.

	<p>3) To be executing at least two social programs and two environmental programs aiming the continuing improvement of the standard of socio-environmental quality in the projects (except for family farming enterprises).</p> <p>4) To comply to all criteria of this standard.</p>	
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## 1.2. Types of Certifiable Operations:

- 1.2.1 All farm products may be Fair Trade certified provided that there is a seal assignment agreement, of fees to be collected for certification with the interested party. The interested party should apply at IBD so that the certification process can be initiated.. The following categories of operations are highlighted:
- a) **Individual enterprises:** made up by one productive unit, where work relations are based in a formal hired labor contract and/or in a familiar basis.
  - b) **Family farming individual enterprises.** Constituted by primary production or processing companies that are managed by families and employ small scale or temporary labor force.
  - c) **Collective enterprises:** made up by many production units where owners have an associative and/or cooperative relationship, labor relations may be formal and/or familiar.
  - d) **Traders and/or processors:** enterprises buying, selling and/or handling Fair Trade certified products.
  - e) Certification costs will be defined and proposed by IBD to the client and will involve registration, certification fee (charged once a year), audit costs and evaluation of inspection reports and labels.

## 1.3. Features:

- 1.3.1 The IBD Fair Trade Mark is registered property of IBD.
- 1.3.2 To use the Fair Trade Seal depends on a signed agreement between the operation and IBD Certifications after presentation and evaluation of the inspection report of inspection made by inspector authorized by the certifier.
- 1.3.3 This Seal guarantees to the consumer that the certified products and services under this system respect economic development criteria based in Fair Trade principles, as well as environmental, human and social development criteria, established in the body of these guidelines, from production up to trading.
- a) **Subcontracted services:** In case a certified enterprise subcontracts a service, it must make sure that the third party complies with the minimum social and environmental criteria defined in these Guidelines.

- b) Suppliers:** All suppliers of raw material must be included in the operation's certification process. This includes participation in the Reference Term (Ground Zero Diagnostic), compliance with minimum criteria, the development of progress programs and inclusion in the Management Commission
- 1.3.4 Projects are evaluated from minimum criteria – comprising aspects covered by national legislation related to environment conservation, labor, sanitary, health and work safety rights, as well as international norms and agreements, above all the ILO (International Labor Organization) conventions.
- a)** Trading Companies and manufacturers putting a claim on use of Fair Trade ingredients on their labels and lists of ingredients are not audited against minimum criteria.
- 1.3.5 In the Fair Trade Program, trade relationships based on Fair Trade principles are considered to be minimum criteria. In other words, these principles must be applied to all certified projects.
- 1.3.6 Some criteria are considered critical and block the beginning or remaining of a certification process, by the client, according to the chart that follows.
- a)** Producers or enterprises adopting practices incompatible with the Fair Trade Guidelines, not complying with the criteria qualified as critical may be disconnected from the certification process.
- b)** IBD Will judge on the seriousness of the cases presented under the item before and decide on the continuity of the certification process.
- 1.3.7 Besides complying with the critical and minimum criteria described, the enterprises under certification must implement at least two social programs and two environment programs per year – progress criteria – under the concept of continuous improvement or item 1.4.4. Family farming enterprises are exempted.
- 1.3.8 By **continuous improvement** it is understood that during the annual audits it is possible to verify the improvements in the indicators chosen to monitor ongoing social and environment programs.
- 1.3.9 In exceptional conditions, to be evaluated by IBD, the candidate to the Fair Trade seal may concentrate resources in one only environment or social program, which impact be of recognized context relevance.
- 1.3.10 Operations producing or trading products with certification Fair Trade IBD and non Fair Trade must establish strict separation measures, necessary to avoid all risks of mixing products with different classifications.
- 1.3.11 If the inspector detects any nonconformity with this Standard in the field, he may issue a noncompliance, classified as either minor or major.
- a)** **Major noncompliance** indicates that a criterion is not being complied with in its totality, or that a minor noncompliance is reoccurring.



b) **Minor noncompliance** indicates that a criterion is only partially fulfilled.

1.3.12 The **critical criteria** may not receive non compliances, and if so, this happens it will put the operation under the of suspension of certification. In case the enterprise has opportunities for improvement in critical criteria, and no non-conformities are indicated, the inspector may present them in **Observations** in his Final Report.

1.3.13 The enterprise must have a Quality Manual with at least the following items

1	Child Labor
2	Forced Labor
3	Health & Safety
4	Freedom of Association & Right to Collective Bargaining
5	Discrimination
6	Disciplinary Practices
7	Working Hours
8	Compensation Wages
9	Management Systems
10	Policy
11	Management Review
12	Control of Suppliers

#### 1.4. Operation

1.4.1 In order to be certified, Fair Trade operations must require specific registration through IBD.

1.4.2 Upon registration, the client interested in certification must present the results of an assessment of the main social and environmental aspects related to the operation, called the Reference Term (**Ground Zero Diagnostic**). This document will define the operation's base level within the Fair Trade Program.

- a) This Diagnostic is necessary for acceptance in the program and must be filled out completely, either by the operation interested in certification or by a contracted third-party. IBD will send a standardized step-by-step guide for operations interested in registering in the IBD Fair Trade Program.
- b) The data contained in this document will serve as a measurement parameter for evaluating **ongoing improvement**, providing tools for IBD to assess the progress of socio-environmental and fair trade actions from year after year, through future audits.
- c) Operations that only use the Fair Trade ingredients claim such as Traders that do not certify producers under their umbrella do not need to fill out the Ground Zero Diagnostic.

- 1.4.3 Minimum criteria that are not being met should be indicated in the Ground Zero Diagnostic, and for each, an Adjustment Program should be specified that includes goals, actions, and timeframes
- 1.4.4 The operation must present a description of the social and environmental programs to be developed throughout the certification year in order to comply with the progress criteria requirement. Clear indicators and goals for each selected program should be identified, such that progress can be followed in accordance with the specific chronogram presented in the Fair Trade Questionnaire (QP).
- a) Manufacturers making claim on use of Fair Trade ingredients, such as Traders with no sub-contracted producers group do not need to undertake development programs.
  - b) Individual enterprises can choose between implementing own development programs, and coordinating programs execution in other enterprises, upon concrete need, approved by IBD.
  - c) Trading Companies shall invest in supported operations development programs, via payment of Fair Trade Premium.
- 1.4.5 The choice and management of the **Progress Programs** must be made in a participating basis, involving the different parties concerned in the enterprise, composing a **Management Commission**.
- 1.4.6 The Fair Trade Program must be managed internally in the enterprise, by a Commission, made up by representatives of the different sectors.
- a. Manufacturers making claim on use of Fair Trade ingredients, Traders with no sub-contracted producers group do not need to set up a Management Commission.
- 1.4.7 Representation of the parties in this Commission must happen by indication or election, and this process must be approved by IBD. If considered necessary, a program may be discontinued, according to technical justification to be discussed with IBD, being immediately replaced by another program. The choice of new programs must include the participation of the Management Commission, and should take into consideration any deviation from that which is desirable by law as well as the arguments presented in the Ground Zero Diagnostic. Once Registration and the Diagnostic have been approved by IBD, the operation or property must be inspected *in loco* by a trained professional that has been indicated by the certifier.
- 1.4.8 Having been attained the minimum criteria and defined the progress ones, the project may receive certification standard Fair Trade IBD, having to be monitored every year by the certifier, based in specific inspection procedures.
- 1.4.9 Certified organisations shall document and retain records of compliance for at least 5 years or longer if required by local law for personnel actions for each employee, complaints actions and outcome and for traceability purposes at 1.5.2.e.3-6.

- 1.4.10 Certified organisations and subcontractors shall keep copies of relevant up-to-date national and local legislation on site or demonstrate on-line access to these.
- 1.4.11 If the Fair Trade IBD exceeds national or local regulatory requirements, certified organisations shall adhere to the Standard and/ or if the standards set in international treaties or conventions exceed local or national laws of the country where certification is sought, certified organisations shall adhere to the international treaties.
- 1.4.12 An ongoing program of job-related training and regular refresher training shall be provided to all workers to ensure that they are competent to conduct their work efficiently, effectively and safely.
- 1.4.13 Certified organisations shall establish and document an effective and timely system of communication with all workers and with the local communities, and an effective and timely system to receive, investigate and respond to all complaints from these parties.
- 1.4.14 The system shall include a mechanism that allows workers and community members to lodge complaints in a manner anonymous to the management of the certified organisation (if they desire anonymity), yet also allows verification of the validity of the complaints. The certified organisation should also recognize the competence of local labour tribunals, if these are the mechanism chosen by workers for raising grievances.

## 1.5. Certification of chain of custody

- 1.5.1 Applicability
  - a) The Fair Trade seal may be used by companies marketing **products**;
  - b) For companies that intend to use the Fair Trade Seal to market **products**, item 1.5.2 should be applied.
- 1.5.2 Control of requirements along the chain of custody
  - a) The Seal Fair Trade IBD may be associated to any **Fair Trade** (producer or company) in a chain of custody, but
  - b) The Seal Fair Trade IBD may be associated to the **final product (s)** in a chain of custody if all the prior components in this chain are in conformity with this norm, observed the specificities presented in item 1.3.3.
  - c) The Fair Trade products must be processed and traded by **units certified as Fair Trade**, and in this case, they must follow the item 1.5.3 in this norm.
  - d) In the situation described in item c), the processing and trading unit must be in conformity with at least the pertinent laws (labor, health and safety, sanitary and environment).
  - e) It will be demanded the implementation of a **traceability system**, capable to guarantee that products sold are really Fair Trade, without any type of transversal contamination by non Fair Trade products, in case packaging contain only Fair Trade products in case the packaging only contain Fair Trade products

When packages contain also non-certified products, the mass balance verification will be accepted. The enterprise must guarantee that the certified product, Fair Trade raw material, was effectively purchased. The Fair Trade product may be mixed in the silo with non-certified product.

1. Mass balance: purchase of (A) raw material, and sale of (B) finished product. B must be less than A within a given period of time. The final product do not need a minimum percentage of certified product. Normally the time period calculation is annual. The company cannot use negative Mass Balance, that is, selling more Fair Trade labeled product that really purchased based on an established proportion agreed with IBD.
2. The percentage of Fair Trade product in the package or Mass Balance is defined by the product recipe.
3. Certified organisations shall maintain chain of custody traceability during transfer of ownership of a consignment of IBD Fair Trade certified product by means of a Transaction Certificate (TC) specific for that transaction. The information contained in the TC shall include the following: volume of the consignment changing ownership, lot numbers and volumes of each lot of material contained in the consignment, identification of seller and buyer, date of the transaction. The TC shall be retained by both economic operators.
4. Certified organisation shall maintain and update inventory control documentation, including mass balance documentation verifying that volumes of IBD Fair Trade certified materials received are equal to volumes disbursed.
5. For sealed products that are packaged and labelled for the end user, for example, retail packages, use of TCs is not required. However, the certified organisation shall maintain records that allow them to trace back from the lot number on the package to the lots of IBD Fair Trade certified ingredients contained in the product.
6. A running total mass balance shall be maintained for inputs and outputs correlating the amounts of certified inputs with amounts of certified outputs.
7. Operator shall have, and shall consistently employ, standard operating procedures for maintaining full segregation for each lot of Fair Trade IBD certified product from non-Fair Trade IBD materials from the point of receipt to the point of transfer to the next economic operator in the supply chain. Procedures and records may include, depending on the operation level: • Sampling plan for immunologically based screening using strip tests; • Sampling plan for PCR analyses; • Strip test procedure; • Strip test records; • PCR analysis reports; • Procedures of flushing or cleaning for product change in non-dedicated sites;
8. Precautions, including physical labelling of facilities and conveyances, must be in place to prevent co-mingling of Fair Trade IBD certified material and other material during transport and during loading and unloading of conveyances.
9. Conveyances used to transport Fair Trade IBD certified material shall be inspected before loading to verify freedom from residues of materials that are not Fair Trade IBD compliant, and if residues are observed, the conveyance shall be cleaned before loading Fair Trade IBD certified materials.
10. Inspection and cleaning of conveyances shall be documented.

11. When Fair Trade IBD compliant material is transported as a part-load together with other material, systems and procedures must be in place to prevent mixing during loading, transport and unloading and to prevent errors in selection of the correct Fair Trade IBD certified product on delivery to the customer. Certified materials must be clearly identified and physically segregated to effectively prevent cross-contamination by non-compliant material.
12. In the case of Fair Trade IBD certified materials that have GMO risk, certified organisation shall comply with Principle 5 and the CCC shall also include information verifying that the specific lot of material referenced in the CCC complies with the relevant threshold for GMO content - 0.1% or up to 0.9% depending on the claim made (see 5.1.2 guidance).
13. A Fair Trade IBD chain of custody certified organisation will be able to merge or split received consignments of Fair Trade IBD certified products. To each new merged or split consignment a unique identification number must be assigned.
14. The use of certified rework in the production of Fair Trade IBD certified products must be recorded in the product inventory. Mixing of certified materials with non-certified material is forbidden.
15. Customer service, inventory management, and order fulfilment procedures must be in operation, verifying that the correct Fair Trade IBD certified product consignments have been shipped to customers ordering Fair Trade IBD certified products.

#### 1.5.3 Sub-contracted / outsourced operations

- a) When **subcontracting** is used (third party hiring) for processing activities or for other services, the contracted party should be, in the very least, as compliant with pertinent legislation (sanitary, environmental and labor) as the contracting company; or
- b) If minimum criteria have not been respected, the subcontracted company should present IBD with any adjustment programs necessary to reach the same level of compliance as the contracting company;
- c) The inspection of subcontracted facilities will be carried out by IBD or a local certifier approved by IBD to carry out Fair Trade inspections as part of the certification process for the originally certified operation.

### 1.6. Labeling as Fair Trade certified

#### 1.6.1 References for certification in advertising material:

- a) The IBD Fair Trade seal can be used in any **promotional material** as long as its use is directly associated to the products certified;
- b) All advertising material must be sent to IBD for previous approval;

- c) It is forbidden to use the Seal Fair Trade IBD in advertising material before the issue of the first certificate of conformity with the program.
- d) Fair Trade IBD certified materials and products shall be identified using correct claims, logo, seal and certificates, according to IBD Claim Guideline.

#### 1.6.2 Using the Seal Fair Trade IBD

- a) The Seal Fair Trade IBD can only be associated to a **final product in a chain of custody** if all the previous components in this chain are in conformity with this norm; or
- b) By the processing units which are supplied by suppliers in conformity with the Fair Trade Program.
- c) When the final product is made up of at least one agricultural ingredient certified as Fair Trade;
- d) The percentage of Fair Trade product may be indicated on the label however not for Mass Balance systems which will be approved considering an established proportion pre-approved for the product by IBD.
- e) All tags and **labels and packages** of IBD certified products must be previously submitted to approval by IBD before their presentation to the public, be it for trading, or test, because they must:
  - Comply with current legislation in the country of consumption, in what refers to compulsory information to be given in labels;
  - Mention clearly the name and address of the legally responsible persons for the product, as well as the way to obtain further information and consumer support for comments, suggestions and complaints;
  - List clearly in order of percentage participation in the composition, all certified products, all non certified ingredients;
  - For calculation purposes of composition, it must be used the relative weight of each raw material used divided by the net weight of the final processed product, excluding from the calculation water and salt added into the process. If necessary, the values may be rounded to the full inferior percentage value;

### 1.7. Certification Acceptance or Transfer

Products or raw materials certified as Fair Trade by other certification schemes may be incorporated into the Fair Trade IBD production chain or re-packaged as Fair Trade IBD products if:

- 1.7.1- the original certification has a Management Commission system as described above (1.4.5) or similar, and can be accepted automatically by simply sending the transaction

certificate that accompanies the product and the relevant standard of the certification program showing that Operates with the Management Committee.

- 1.7.2- The original certification does not have a Management Commission system. In this case send the certificate, the program norms and the last audit report for a case-by-case evaluation.

## 2. DEVELOPMENT CRITERIA

Part 2 of this Guideline presents the criteria for economic, human, social and environmental development, grouped by category of enterprise, as described in item 1.2.1.

### Fair Trade?

To be certified, besides the environmental, human and social development criteria prescribed in this norm, projects must prove that the principles and the practice of Fair Trade are present in the trading relations that they take part. This Guideline establishes different **Minimum** criteria for **Economic, Human and Social Development** for each category of enterprise, all are considered **minimum** in the **Fair Trade** Program.

### 2.1. DEVELOPMENT CRITERIA FOR INDIVIDUAL ENTERPRISES EXCEPTED FOR FAMILY FARMING ENTERPRISES

#### 2.1.1 Economic Development Criteria- Fair Trade - For candidates certified with FAIR TRADE.

The Fair Trade approach to business is an international initiative aiming to improve the conditions of human, social, environmental and economic development lived by groups of producers and journeymen in development countries.

“Fair Trade” means that there is a trusting relationship among the one who sells and the one who buys, where the trading commitments are taken on the long run, price negotiations are open and the Premium obtained from this initiative is invested in the social and environmental development of producers or workers.

In the Fair Trade Program is expected that, on partaking a Fair Trade process, enterprises become more apt to improve its living and working conditions of journeymen and producers involved in the process, as well as the environmental condition also improves, aiming to minimize the impacts and improve environment conservation.

Going further in the trading relationships professed by the Fair Trade System, it is expected that all human beings involved in this process also develop, in other words, become conscious of the social, environmental and economic questions in their surroundings, becoming able to become agents of improvement in their own and their neighbors’ lives, with freedom and autonomy.

IBD Fair Trade brings innovations to the traditional Fair Trade concept. In IBD Fair Trade the certifier does not impose the minimum price nor the Premium value, parameters which are important in the fair trade world. Product prices must be connected to production costs and to the market negotiations, the latter having to happen according to ethical principles, guaranteeing clarity, transparency and benefits



to the producers. The value of the Fair Trade Premium is determined by the needs of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point where the Fair Trade differs from other Fair Trade Programs is that its scope applies to any product, and not only to some products for which the Premium and minimum prices have already been defined.

<b>ECONOMIC DEVELOPMENT – FAIR TRADE</b>	
<b>FOR INDIVIDUAL ENTERPRISES</b>	
<b>Minimum Criteria</b>	<b>Indicators when applicable</b>
a) The corporate socio-environmental responsibility is explicit in the <b>enterprise’s mission and policy.</b>	<ul style="list-style-type: none"> <li>• The board incorporates the concept of Fair Trade and Socio-Environmental Development in the enterprise’s business plans. Not valid for family farming.</li> <li>• Board and coworkers meet to discuss about the benefits of Fair Trade and the socio-environmental projects going on in the enterprise.</li> <li>• The Board issues document expressing expectations to cause improvement and good impact of fair trade among its workers and communities with whom they relate to.</li> <li>• The Board issues statement expressing their commitment to provide better working conditions that the minimum required by law.</li> <li>• The Board and fair trade Commission will elaborate the Ground Zero Diagnostic described in Appendix II which will give an overview of the actual history, socio-environmental and economic base.</li> <li>• The Board and Commission will ensure that all employees learn about the Fair Trade program.</li> </ul>
b) The enterprise must be committed for a long term business relation with their suppliers and buyers expressing trust, transparency and continuity.	<ul style="list-style-type: none"> <li>• The enterprise will have positive communication with suppliers and buyers.</li> <li>• The enterprise has a good product information package for its suppliers and buyers. Not valid for family farming.</li> <li>• The enterprise has a good and ethical marketing and statement concept. Not valid for family farming.</li> <li>• Enterprise expresses full commitment to continuous improvement and quality. Not valid for family farming.</li> <li>• There are clear signs of corrective action and</li> </ul>



	<p>quality/relationship improvement with suppliers or clients.</p>
<p>c) The enterprise must <b>organize a Management Commission</b>, representing the direction and the coworkers of the different sectors (elected by the coworkers preferably), with the purpose to execute the management of the Program besides expressing empowerment of workers and a clear fair trade policy. Not valid for family farming.</p>	<ul style="list-style-type: none"> <li>• The company must prove that this Commission exists, and that it is representative and functions as manager of the Fair Trade Program.</li> <li>• The Commission must be empowered by the Board.</li> <li>• The Commission must have a clear fair trade policy.</li> <li>• The Commission has a task of administrating the Premium funds and to decide upon all fair trade actions in the company including the improvement and/or investments programs.</li> <li>• The Commission must meet during working hours and edit its decisions at least once a year from an assembly.</li> <li>• The Commission decisions must be communicated to the whole company.</li> <li>• The Commission must generate clear reporting on their decisions and also suggestions received for premium use.</li> <li>• The Commission must reach decisions preferably through consensus.</li> </ul>
<p>d) The enterprise must prove that the <b>Premium</b> paid to the products will return in benefit of the socio-environmental development programs being implanted in the enterprise. The Premium will result in improvement programs and will impact the product price. Not valid for family farming with 3-15 employees.</p>	<ul style="list-style-type: none"> <li>• All purchase and sale contracts must be in writing, containing information that demonstrates the price and the product Premium due to the Fair Trade. The Premium acceptance by IBD depends on the following:</li> <li>• When the investment in the Fair Trade Program is absorbed by the enterprise itself, without appointment of these costs with final buyers, the demand before mentioned is void. Not valid for family farming.</li> <li>• Besides that, the enterprise must present an Investment Plan for this Premium, in the human and environmental development of the projects, along the certification year, showing congruence of this Plan with the attainment of the minimum and progress criteria in execution (progress programs not required for family farming)</li> <li>• The enterprise must prove that the paid workers are taking part and being benefited in the definition of the Premium application.</li> <li>• The Premium cannot be used to cover current costs nor normal business investments in the enterprise.</li> </ul>

	<ul style="list-style-type: none"> <li>• Enterprise will, if required by buyer, supply price formation details like costs, margins, fair trade Premium. Not valid for family farming.</li> <li>• A year report of use of the Premium must be available to all employees and IBD.</li> <li>• A year report resume must be available to any interested party.</li> <li>• The Premium fund must be placed preferably in a separate account where the Commission has administrative power. If this is not possible, the Board must assign administrative responsibility to the Commission. Not valid for family farming.</li> <li>• The Commission must approve investments that are in line with the Zero Ground Diagnostic and be approved by IBD.</li> <li>• The enterprise may support and is expected to support social and environmental activities outside it's boundaries and to migrant workers attending the enterprise. Not valid for family farming.</li> <li>• The enterprise must support with structure the Commission's working demands. Not valid for family farming.</li> </ul>
<p>e) Price setting in the group must be transparent to group members and to trade partners.</p>	<ul style="list-style-type: none"> <li>• If a member or trade partner requires more information on price setting the enterprise must inform in a transparent manner. The cost structure must be well set.</li> <li>• New fair trade prices must be announced in a transparent form, when applicable.</li> </ul>
<p>f) A <b>quality management system</b>, effective and adequate to the size and nature of the enterprise, must be designed and established during the first year of certification.</p>	<ul style="list-style-type: none"> <li>• Design of quality plans and procedures.</li> <li>• Proof that these plans and procedures are working.</li> <li>• There is an internal audit.</li> <li>• Management responds to workers' demands.</li> </ul>
<p>g) A <b>socio-environmental management system</b>, effective and adequate to the size and nature of the enterprise and Premium must be established during the first two years of certification.</p>	<ul style="list-style-type: none"> <li>• Design and establishment of plans aiming to improve the social management of the enterprise: labor aspects, health and work safety aspects, improvement in the relationship with the surrounding community, among others of contextual relevance.</li> <li>• Design and establishment of plans aiming to improve the enterprise's environmental management: environment conservation and recovery, environmental education, management of residues and effluents, among</li> </ul>

	others of contextual relevance.
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### 2.1.2 Human and Social Development Criteria:

It is desirable that enterprises invest in the social development and in the improvement of working conditions of workers, assuring access to basic rights and providing the social benefits necessary for individual and communal wellbeing. The enterprises must guarantee chance of participation, to the concerning parties, as to their management – from the definition and execution of the socio-environmental development programs, to questions related to Fair Trade – supporting learning and the human development of people involved.

Child labor, forced labor, as well as any action with discriminatory character are forbidden in certified farms and companies. Workers and producers must have adequate and safety conditions of work, as well as a fair pay, being so that all those **criteria** are considered **critical** in this Norm.

The **minimum criteria** of **human and social development** are more directly related to **working conditions**. Yet, the **progress criteria** try to promote improvements in the **living conditions** of workers and producers, entering into aspects such as housing, food, education family health, among others.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development.

<b>HUMAN AND SOCIAL DEVELOPMENT</b>	
<b>FOR INDIVIDUAL ENTERPRISES</b>	
<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Minimum criteria:</b>	<b>Indicators:</b>
a) The enterprise must comply with all current <b>labor legislation</b> or (item b).	<ul style="list-style-type: none"> <li>• The enterprise must hire directly its workers, through registry or formal contract, as established in the Labor Legislation of the country;</li> <li>• This contract must establish the amount of pay, the work journey, labor rights and obligations, function description, among other information to guarantee transparency in the hiring process;</li> <li>• <b>CRITICAL:</b> The wage value must be the same or above the regional average, according to the established in workers Agreements, Collective Agreements, or the specific national legislation;</li> </ul>

	<ul style="list-style-type: none"> <li>• In cases where the gain is per production, the monthly amount cannot be below the established in the item before;</li> <li>• Workers must have clarity about what is their salary, including when the gain is per production; wages for seasonal workers must be compatible to normal wages at least.</li> <li>• The number of hours worked weekly, as well as the week paid rest time, must be in compliance with the established in specific legislation;</li> <li>• Payment of extra hours must happen according to the legislation; must not exceed 12 hours weekly and must be adequately paid for. Exceptional cases may be tolerated if justified.</li> <li>• Hiring foreigners must be conditioned to working permits, issued by the due government agency.</li> <li>• Payments must be official, documented and in certain days. Must be transparent in deductions which should only be those approved by law or conventions.</li> <li>• In case law provision does not exist workers should be given 24 hours rest every 7 working days except emergency situations.</li> <li>• Overtime payment and refusal for overtime working hours must be clear.</li> <li>• Holiday must be according to law or at least 2 weeks per year.</li> <li>• For maternity periods not less than 12 weeks leave full pay not considering annual holiday and breastfeeding on return allowed.</li> <li>• No worker will be required to lodge their identity papers with their employer or any third party and workers pay, benefits or other property shall, likewise, not be retained.</li> <li>• Worker job descriptions, including necessary skills and legal status, and salary range shall be set in written form.</li> <li>• Employer shall not deduct from wages for disciplinary or similar purposes.</li> <li>• Job opportunities shall be made available first to qualified members of the local community.</li> </ul>
<p>b) The enterprise must have an <b>adjustment</b> program towards the established in current labor laws.</p>	<ul style="list-style-type: none"> <li>• For each aspect of labor legislation which is not being complied with, an Adaptation Program must be established, with goals and terms clear and measurable.</li> </ul>

<p>c) The enterprise must comply with the <b>work safety</b> norms related to its type of activity, or item “e”.</p>	<ul style="list-style-type: none"> <li>• Work risks must be identified and monitored in all working areas. <b>CRITICAL:</b> The enterprise must reduce to a minimum the exposure of workers to working risks, through reduction in source and using safety equipment.</li> <li>• Employers will offer working qualification to workers, increasing the level of understanding about their function, risks related to it, as well as the individual and collective preventive or emergent safety measures to be adopted;</li> <li>• Areas with higher potential risks, like supply and storage of fuels, stocking of inputs, distilleries, steam boilers, dryers, turbines, among others, must have a substantial safety management: map of risk and safety measures visible, exit route, emergency procedures, orientation on first aid, among other procedures with the purpose to minimize exposure of workers to risks.</li> <li>• The enterprise must make available personnel, material, machines and equipments necessary to prevent and attend different types of emergencies, in all work fronts, first aid kits, aides, fire brigades, fire extinguishers, water tanks, means of communication at long distance, among others.</li> <li>• The enterprise shall monitor and ensure compliance with its worker safety and health program and keep records of health and safety performance, including accident statistics for the operation.</li> <li>• Hazardous tasks, including the application or handling of pesticides such as insecticides, fungicides, and herbicides, for pests, diseases and non-crop plants, shall be conducted only by qualified and properly trained workers. The following types of employees, shall not be permitted to conduct such tasks, including subcontracted workers: Persons under the age of 18 or above the age of 60 - Pregnant or nursing women - Persons with mental illness - Persons with chronic, hepatic, renal, or respiratory diseases - Persons with other health problems or limitations that would make them more vulnerable to hazardous conditions. <b>Guidance:</b> The operation shall maintain documentation identifying employees excluded from these activities and</li> </ul>
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	<p>require subcontractors to do the same. The certification body may allow for the minimum/maximum ages to be lower/higher than 18/60 in cases where national legislation and/or other legal permitting procedures are in effect, and provided there are measures in place to adequately protect the health and safety of such workers. Wearing of appropriate personal protective equipment (PPE) and clothing is mandatory during handling and application of toxic substances or conduct of other hazardous tasks.</p> <ul style="list-style-type: none"> <li>• Certified organisations shall employ qualified personnel to instruct workers in safety and health on the job, and especially in the safe handling, storage, and application of pesticides and other toxic materials and the safe conduct of other hazardous tasks.</li> </ul>
<p>d) The enterprise must have a program of improvement in <b>health</b> at work, or item “e”.</p>	<ul style="list-style-type: none"> <li>• The enterprise must establish the health measures provided by Law.</li> <li>• A Worker Health Management System must be established, detailing: <ul style="list-style-type: none"> <li>- Periodicity and Type of medical exams to be performed;</li> <li>- Preventive and curative measures so as to attend emergencies and work accidents;</li> <li>- Qualification and training so as to improve workers health.</li> </ul> </li> <li>• Workers must have access to health support services during the whole work journey</li> <li>• Workers must be granted health leave when necessary.</li> </ul>
<p>e) The enterprise must design a program to <b>adjust</b> to what is provided by Law.</p>	<ul style="list-style-type: none"> <li>• For each aspect in health and safety which is not complying with the provided in Law, an Adjustment Program with goals and clear and measurable terms of time.</li> <li>• For migrant workers there should be clear contracting terms including: transport expenses, wages, employment time, overtime wages, repatriation if unable.</li> <li>• The enterprise must adapt to local pension or disability pension system and if not available create a reasonable one.</li> </ul>
<p>f) All workers must have Access to</p>	<ul style="list-style-type: none"> <li>• Enterprises must provide potable water and</li> </ul>

<p><b>potable water and clean sanitary installations.</b></p>	<p>clean sanitary installations accessible for all workers.</p>
<p>g) When workers <b>reside in the work environment</b>, housing must offer adequate living and safety conditions</p>	<ul style="list-style-type: none"> <li>• Houses must offer fair conditions of use and basic sanitary installations, as well as being in a good state of conservation.</li> <li>• When housing is not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of housing.</li> <li>• Houses must be provided with basic sanitation, garbage collection, toxic or not,, sewage installations and potable water.</li> <li>• If the services mentioned before are not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of service.</li> <li>• Access to shops and services should be through transportation or through local fair priced services.</li> </ul>
<p>h) In case the enterprise <b>provides meals to workers</b>, the food will have to be nutritious and clean so as to guarantee good health to workers..</p>	<ul style="list-style-type: none"> <li>• The nutritious and sanitary conditions of meals will have to be managed by the responsible people in the enterprise.</li> </ul>
<p>i) The farm/enterprise must allow <b>unionized labor</b> of workers.</p>	<ul style="list-style-type: none"> <li>• Workers must have the right of union association, without any consequences as discrimination, or any other type of coercion to inhibit the union association.</li> <li>• Workers will be informed of their rights to filiate to unions/association.</li> </ul>
<p>j) <b>CRITICAL:</b> The group must make sure that no form of <b>discrimination</b> happen in the course of production.</p>	<ul style="list-style-type: none"> <li>• Certified enterprises must have a clear policy restraining discrimination and coercive practices, such as:             <ul style="list-style-type: none"> <li>i-Corporal or mental punishment or verbal abuse.</li> <li>ii-Sexual harassment;</li> <li>iii-Dismissal or discrimination of workers who seek any complaint procedure workers union/association</li> <li>iv-Any kind of racial, color, religion, gender, among others, discrimination.</li> <li>v-Employment not conditioned to wife working at enterprise.</li> </ul> </li> </ul>
<p>k) <b>CRITICAL:</b> It is forbidden any kind of <b>child labor</b>..</p>	<ul style="list-style-type: none"> <li>• It is forbidden any kind of labor to minors of 18 years old, harmful to their health, and in</li> </ul>

	<p>disagreement to specific labor statutes supporting children and adolescents.</p> <ul style="list-style-type: none"> <li>• In traditional and indigenous communities where child labor is related to cultural learning, it may be permitted the participation of minors at work, provided their physical and psychologic integrity is guaranteed, without refraining their right to infancy and access to schooling.</li> <li>• Children living on the enterprise boundaries will receive day care structure.</li> <li>• Children under 16 are not allowed employment.</li> <li>• Children living in the operation premises and in general (of employees) must receive education.</li> </ul>
l) <b>CRITICAL:</b> It is forbidden any form of forced labor.	<ul style="list-style-type: none"> <li>• It is vetoed the presence of people working in inadequate conditions to their physical, emotional, and mental health, as well as without the adequate reward to the work performed.</li> </ul>
m) The enterprise must be committed to <b>transparency</b> , organizing a Social and Environmental Management System, accessible to all parts involved	<ul style="list-style-type: none"> <li>• The enterprise will provide adequate information to the interested parties, related to the relevant environmental, social, and legal aspects of Fair Trade Program, in language and form adequate to allow an effective participation in the decision making process.</li> <li>• The enterprise will create and maintain documents with the purpose to bring transparency to its environmental and social management.</li> </ul>
n) <b>CRITICAL:</b> The right of access to land use must be demonstrated.	<ul style="list-style-type: none"> <li>• The enterprise must run on lawful property.</li> <li>• Conflicts arising from land ownership must be solved legally, guaranteeing rights acquired by traditional communities, smallholders and other ethnical and social minorities, as well as other lawful landowners.</li> <li>• Land rights disputes shall be resolved before certified status can be awarded.</li> </ul>

**HUMAN AND SOCIAL DEVELOPMENT**

**FOR INDIVIDUAL ENTERPRISES**



<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Progress criteria</b>	<b>Indicators:</b>
a) Implantation of an appropriate system of <b>people</b> management to favor workers training and development, as well as the furtherance of a working environment favorable to individual and collective welfare.	<ul style="list-style-type: none"> <li>• Existence of human development and qualification programs.;</li> <li>• Execution of actions to improve work environment and human inter relationships;</li> <li>• Other programs related to people management.</li> </ul>
b) Implantation of a <b>Profit Sharing Scheme</b> .	<ul style="list-style-type: none"> <li>• Implantation of schemes by work goals, proportional participation, etc.</li> </ul>
c) Execution of program to <b>improve the educational level</b> of workers	<ul style="list-style-type: none"> <li>• Programs to eradicate illiteracy;</li> <li>• Basic Education programs;</li> <li>• Complementary Education Programs;</li> <li>• Other benefits related to schooling, scholarships, further schooling courses, etc.</li> <li>• Building an educational infrastructure;</li> <li>• Acquisition of education/school equipments and materials;</li> <li>• Others.</li> </ul>
d) Promoting improvements in <b>housing conditions</b> (when having farm villages) for workers.	<ul style="list-style-type: none"> <li>• Supply of potable water, sanitation;</li> <li>• Improvement of conditions in houses.</li> <li>• Supply of electric power;</li> <li>• Others.</li> <li>• Outros.</li> </ul>
e) Promoting improvements in <b>nourishment conditions</b> of workers.	<ul style="list-style-type: none"> <li>• Building refectories/supply of meals;</li> <li>• Feed re-education program;</li> <li>• Structuring communal plantations in idler areas;</li> <li>• Implementing house vegetable gardens;</li> <li>• Sharing of food basics;</li> <li>• Other initiatives.</li> </ul>
f) Promoting improvements in <b>health conditions</b> of all workers.	<ul style="list-style-type: none"> <li>• Local medical support at infirmary;</li> <li>• Medical insurance covering consultations, exams and hospital;</li> <li>• Transport to hospitals;</li> <li>• Dental insurance;</li> <li>• Spectacles support;</li> <li>• Programs to reduce addictions on spirits and tobacco;</li> <li>• Others.</li> </ul>

g) Implantation of Programs of <b>support to the working woman.</b>	<ul style="list-style-type: none"> <li>• Building of day care unit;</li> <li>• Program of activities and medical support for pregnant women;</li> <li>• Brest feeding orientation and support;</li> <li>• Equal payments to men;</li> <li>• Other programs.</li> </ul>
h) <b>Expansion of benefits</b> generated by all programs to <b>part-time workers and crop workers.</b>	<ul style="list-style-type: none"> <li>• Expand to part-time workers the benefits offered to permanent workers.</li> </ul>
i) Implantation of programs of <b>support to the aged.</b>	<ul style="list-style-type: none"> <li>• Medical support Programs to the aged;</li> <li>• Orientation and support as to retirement;</li> <li>• Supply of transportation, food, housing, etc.</li> </ul>
j) <b>Other programs</b> socially relevant suggested by the company itself.	<ul style="list-style-type: none"> <li>• Ongoing Programs..</li> </ul>

### 2.1.3. Environmental Development Criteria for Individual Enterprises:

It is expected that certified enterprises promote **environmental conservation** and the **sustainable management of natural resources** – soil, water, air, fauna and flora, seeking to harmonize economic development to environmental development and the biodiversity of them integrated. The mentioned natural elements mainly soil, water and air should be kept free of contaminants within the possible limits of the management employed.

In certified farms and companies it is forbidden the use of Organisms Genetically Modified – GMO, wild animals hunting, deforestation of primary forests after 2016 and release of effluents and residues without treatment in water bodies, and these are all **critical criteria** in these Guidelines.

As **minimum criteria** it is wished the **compliance with national environmental legislation**, and, as **progress criteria**, the definition of actions seeking to **minimize environmental impacts** caused by the operation and **promote environmental conservation**.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development

<b>ENVIRONMENTAL DEVELOPMENT</b>	
<b>FOR INDIVIDUAL ENTERPRISES</b>	
<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Minimum criteria:</b>	<b>Indicators:</b>

<p>a) Enterprises must be <b>regularized along the environmental agencies</b>.</p>	<ul style="list-style-type: none"> <li>• Enterprises liable to Environmental Licensing must be duly Licensed to Operate, pursuant the established in Law..</li> </ul>
<p>b) The enterprise will have to be in conformity to the current <b>environmental legislation</b> as to the (PPA) – Permanent Preservation Areas, and the (LRs) – Legal Reservations, (or item c).</p>	<ul style="list-style-type: none"> <li>• The operation must have a Legal Reserve that is registered by the Public Notary, in accordance with legal requirements.</li> <li>• Permanent Preservation Areas (PPA) must be clearly defined and protected from use.</li> <li>• Any intervention in PPA and LR areas must respect legal regulations<sup>1</sup>.</li> </ul>
<p>c) The use of <b>natural resources</b> (water, air, soil, forests, mineral ores) must be regularized along official agencies or (item c).</p>	<ul style="list-style-type: none"> <li>• The use and management of natural resources must happen according to the laws and regulations about the matter, stressing on the need of licenses, authorizations, grants, ordinances, among other legal instruments, providing an environmental management legally supported and according to principles of sustainability and ecological basis.</li> <li>• <b>CRITICAL:</b> It is vetoed the deforestation of primary forests after 2016.</li> <li>• Certified enterprises must invest in management forms and technologies that reduce the need to use natural resources, as well as all waste and loss in the productive process.</li> </ul>
<p>d) The enterprise must have a program to <b>comply with</b> the established in Law.</p>	<ul style="list-style-type: none"> <li>• Always that an environmental minimum criteria is not being attended, an Adjustment Program aiming to eliminate the non conformities, with defined timing and goals, must be designed and implemented.</li> </ul>
<p>e) <b>Agricultural management</b> must allow conservation of soil fertility and structure and biodiversity.</p>	<ul style="list-style-type: none"> <li>• Agricultural management must happen so that soil structure and fertility are maintained.</li> <li>• Soil structure and fertility must be periodically assessed and evaluated.</li> <li>• Fertilizers must not damage soils or water.</li> <li>• Compost, fertilizers and organic waste are used appropriately with composting, mulching, others.</li> </ul>
<p>f) The enterprise will avoid using <b>fire</b>.</p>	<ul style="list-style-type: none"> <li>• The use of fire will only happen when is the only viable option, taking the due safety measures of social, environmental measures and above all, the procedure must be</li> </ul>

<sup>1</sup> See definition for PPA and LR in Appendix I in this Guidelines.

	<p>authorized by the due agencies.</p> <ul style="list-style-type: none"> <li>• Certified organisations shall adhere to governmental regulations and international conventions that pose additional limits on conversion of native vegetation to agricultural or other commercial purposes.</li> </ul>
<p>g) <b>CRITICAL:</b> The enterprise does not cultivate and manipulates any <b>GMO</b> products .</p>	<ul style="list-style-type: none"> <li>• It is forbidden the use of Organisms Genetically Modified in the property or the use of inputs which are or have any percentage of GMO when certified organic</li> <li>• All non organic enterprises shall avoid the unintentional contamination of certified products by GMO's from external sources and shall demonstrate that the Non-GMO control system is set to assure that products have less than 0.1% of adventitious or unintended GMO contamination.</li> <li>• Certified organisations may use certain substances, produced by GMOs or which are of non-defined genetic origin, if: <ul style="list-style-type: none"> <li>• The substances are not available on a continuous basis in Non-GMO quality as defined in this standard (based on origin, production process, quantity and analysis);</li> <li>• The substances cannot be replaced with alternative products or methods;</li> <li>• The substances are necessary for animal health and protection reasons;</li> <li>• The substances are necessary for the production of food products; or</li> <li>• The substances' use in food or animal feed is required by law or by regulation in the country or region where they are produced and/or consumed.</li> </ul> </li> <li>• Certified organisations shall have in place an adequate system of segregation for GMO materials, achieved by one of the following methods: <ul style="list-style-type: none"> <li>i- Use of dedicated sites, facilities, equipment, conveyances, handling equipment and/or related infrastructure.</li> <li>ii- By inspecting and/or cleaning and/or flushing facilities, equipment and conveyances between use in contact with genetically modified material and Non-GMO material.</li> </ul> </li> </ul>

	<p>iii- A combination of the above methods.</p> <ul style="list-style-type: none"> <li>• Certified organisations shall have at least the following procedures and records to provide evidences that segregation is maintained: <ul style="list-style-type: none"> <li>i- Sampling plan for immunologically based screening using strip tests;</li> <li>ii- Sampling plan for PCR analyses;</li> <li>iii- Strip test procedure;</li> <li>iv- Strip test records;</li> <li>v- PCR analysis reports;</li> <li>vi- Records of flushing or cleaning for product change in non-dedicated sites;</li> <li>vii- Inspection checklist of trucks and other conveyances.</li> </ul> </li> </ul>
<p>h) <b>CRITICAL:</b> It must be forbidden hunting, capture and trading of wild animals and especially endangered plants. It is forbidden to threaten the shelter environments of animals and plants, especially those threatened.</p>	<ul style="list-style-type: none"> <li>• It is forbidden hunting, capturing and trading of wild animals and plants, being justified only when this practice is linked to the basic feeding of traditional and indigenous populations or to regulated wild harvest.</li> </ul>
<p>i) In case there are farm villages, the enterprise must provide dwellers with good conditions of <b>basic sanitation</b> measures.</p>	<ul style="list-style-type: none"> <li>• Houses must have full sewerage installations.</li> <li>• Houses must have a system of collection and disposal of solid residues.</li> <li>• Houses must be supplied with potable water.</li> </ul>
<p>j) The enterprise must implant a System of <b>Management of Solid Residues</b> guaranteeing the final destination and correct treatment of residues generated in the productive process.</p>	<ul style="list-style-type: none"> <li>• The way of discarding and/or treating the solid residues generated in the production system must be in compliance with current legislation and authorized by the due environmental agency when applicable.</li> <li>• Hazardous residues as oils, fats, batteries, IPEs and others must receive special attention.</li> <li>• The place of final destination must be operated according to legislation and bear an Environmental License, when applicable.</li> <li>• Solid waste volumes should be monitored.</li> <li>• A study should be designed to reduce solid waste.</li> <li>• Reuse and recycling of solid waste should be implemented where possible.</li> </ul>
<p>k) A System for <b>Liquid Effluents</b></p>	<ul style="list-style-type: none"> <li>• <b>CRITICAL:</b> The way of discarding and/or</li> </ul>

<p><b>Management</b> must be implanted, to guarantee the final destination and correct treatment of effluents generated in the productive process.</p>	<p>treating liquid effluents originated in the productive process must be in accordance with current legislation and authorized by the due Environmental Agency, when applicable.</p> <ul style="list-style-type: none"> <li>• In the case of launch of effluents in water bodies, the enterprise must have the proper conferment of the environmental agency and must monitor periodically the quality of the effluent and the receiving body.</li> </ul>
<p>l) The enterprise must design and implant a <b>Gaseous Effluents Management System</b>, in conformity with the established by law.</p>	<ul style="list-style-type: none"> <li>• Gaseous effluents launched in the atmosphere must follow Standards regulated by Laws and Deliberations of the Environmental Agencies.</li> <li>• The enterprise must monitor periodically the quality of the effluent so as to guarantee that it is according to the standards.</li> </ul>
<p>m) Enterprises shall perform a comprehensive Environmental and Social Impact Assessment (ESIA) for new large or high risk greenfield expansion or projects and infrastructure to identify potentially harmful or damaging impacts and to define a Management Plan to address these where necessary.</p>	<ul style="list-style-type: none"> <li>• This plan also shall include actions to maintain and maximize biodiversity within and surrounding the operation, which will be updated yearly.</li> </ul>
<p>n) Non-biological wastes shall be</p>	<ul style="list-style-type: none"> <li>• segregated and, where appropriate, recycled. If recycling is not possible, a legal means of disposal or a legal alternative use shall be employed.</li> <li>• Biological wastes shall not be incinerated, except when required for phytosanitary purposes, or in some cases when burned for energy or heating, or used for biogas/oil production.</li> <li>• In cases where biological wastes are returned to the agricultural fields as either mulch or compost to build soil organic matter, or as fertilizer, these materials must be treated, where applicable, to assure the absence of chemical or biological contaminants.</li> </ul>
<p>o) Water, soil, pests, fertilization and irrigation shall be managed such that surface and groundwater and other water supplies are not further</p>	<ul style="list-style-type: none"> <li>• Enterprises shall not undertake new initiatives that reduce the availability of water for neighbouring communities and farms for drinking and irrigation, or for</li> </ul>

<p>contaminated.</p>	<p>"traditional" uses.</p> <ul style="list-style-type: none"> <li>• In cases where activities that predate the certification application damage water resources, certified organisations shall undertake improvements in practices according to an agreed time frame that will rectify such interference.</li> <li>• Certified organisations shall implement best practices for water management on the farm and for irrigation.</li> <li>• Certified organisations shall implement recycling systems and strategies to promote aquifer and water table recharge according to an agreed timeline.</li> <li>• Irrigation shall be managed so as to avoid contamination, salinization and desertification of the soil.</li> </ul>
<p>p) About Deforestation and New Planting</p> <p>For areas in countries where agricultural activity was previously established the compensation areas may be those determined by the state or outside the production areas.</p> <p>Areas under litigation will not be certified until a final court decision occurs. After 2016 it will no longer be possible to certify areas of primary forest that have been converted into production areas.</p>	<p>New production areas that were installed after 2005 must demonstrate that they have been conserved in accordance with the laws in force in the country or at least 12% of the total production area under at least one of the following formations:</p> <ol style="list-style-type: none"> <li>1. Primary forests;</li> <li>2. riparian forests;</li> <li>3. flooded areas;</li> <li>4. slopes above 45 degrees;</li> <li>5. archaeological sites;</li> <li>6. areas determined by law.</li> </ol>
<p>q) Biodiversity Maintenance</p> <p>Biodiversity of the production areas is guaranteed with areas for the preservation of primary or recovered vegetation.</p>	<p>The operator must present a map / sketch of the production area where the productive area and the biodiversity reserves indicated above will be indicated.</p> <p>A continuous improvement program should be implemented to ensure the existence and maintenance of biodiversity that will be built with at least:</p> <ol style="list-style-type: none"> <li>1- conservation and maintenance of native vegetation and wildlife in the production area or environments.</li> <li>2- Indicators and baseline of the state of native vegetation and wildlife.</li> <li>3- Measures to preserve native vegetation and wildlife.</li> </ol>

	<p>4- Monitoring.</p> <p>5. Rare, endangered or endangered species present permanently or temporarily on the property are protected.</p> <p>a. Hunting or collecting these species is not permitted.</p> <p>6- To compensate for areas smaller than 12%, the following actions of Progress Programs may be developed:</p> <p>a. Biological corridors,</p> <p>b. Projects to increase regional fauna and flora.</p>
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<b>ENVIRONMENTAL DEVELOPMENT</b>	
<b>FOR INDIVIDUAL ENTERPRISES</b>	
<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Progress criteria</b>	<b>Indicators:</b>
a) Implantation of a program aiming to optimize the <b>use of energy resources</b> .	<ul style="list-style-type: none"> <li>• Programs to reduce losses in the system;</li> <li>• Programs to reduce the use of non renewable sources of energy;</li> <li>• Programs for renewable energy use;</li> <li>• Programs for recycling of energy materials;</li> <li>• Other initiatives.</li> </ul>
b) Reduction in the generation of <b>Solid Residues</b> .	<ul style="list-style-type: none"> <li>• Implantation of a Solid Residues Management Program to reduce discard/waste of byproducts and spinoffs in the activity;</li> <li>• Programs to reduce Consumption and Generation of Residues;</li> <li>• Other Programs.</li> </ul>
c) <b>Optimization of Water Resources</b> .	<ul style="list-style-type: none"> <li>• Program aiming to optimize the use of water resources (reduction of losses in the system) and reduction of catchment demand.</li> </ul>
d) Improvement in <b>management and conservation of soil structure and fertility</b> .	<ul style="list-style-type: none"> <li>• Programs to recover eroded areas, recovery of contour lines;</li> <li>• Pursuance of practices aiming the recovery of soil structure and fertility</li> <li>• Others.</li> </ul>
e) <b>Increment of biodiversity</b> .	<ul style="list-style-type: none"> <li>• Programs of biodiversity increment, like</li> </ul>



	green barriers rich in biodiversity, ecological corridors, increase in forest reservation areas, among other initiatives aiming to improve the local biota.
f) <b>Development of genetic material.</b>	<ul style="list-style-type: none"> <li>• Program of Development of genetic material adequate and the building of a seed bank (Individual or communal).</li> </ul>
g) <b>Promotion of Environmental Education.</b>	<ul style="list-style-type: none"> <li>• Program of Environmental Education seeking to raise the consciousness of workers, communities, among other actors, direct or indirectly related to the enterprise.</li> </ul>
h) <b>Reduction in the Emission of Green House Effect Gases.</b>	<ul style="list-style-type: none"> <li>• Program aiming to map the emissions and design a plan to reduce the emission of Green House Effect gases.</li> </ul>
i) Environmental impact generated by <b>packages</b> of certified products.	<ul style="list-style-type: none"> <li>• Program to reduce the environmental impacts generated from the option made in the packing chosen by the enterprise.</li> </ul>
j) <b>Another environmental program</b> to be suggested by the company.	<ul style="list-style-type: none"> <li>• On-going program.</li> </ul>

## 2.2. DEVELOPMENT CRITERIA FOR COLLECTIVE ENTERPRISES

### 2.2.1. Economic Development Criteria: Fair Trade. - Only for candidates certified with FAIR TRADE.

**The practice of Fair Trade** is an international initiative aiming to improve the conditions of human and social, environmental and economic development lived by groups of producers and paid workers in development countries.

“Fair Trade” means that there is a trusting relationship between the one who buys and the one who sells, where trading commitments reach a long range, price negotiations are open and the Premium gotten from this initiative is invested in the social and environmental development of producers and journeymen.

In Fair Trade it is expected that, in participating if Fair Trade, enterprises become able to improve living and working conditions of journeymen and producers involved in the process, as well as to improve their environmental quality, seeking to minimize impacts and environment conservation.

Going further in the commercial relationships preconized by Fair Trade System, it is expected that the human beings involved in this process also develop, in other words, become conscious of social environmental and economic questions around them, be able to pro-actively act in the improvement of their own and their neighbors’ lives, autonomously and freely.

Fair Trade brings innovations to the traditional Fair Trade concept. In Fair Trade the certifier does not establish the minimum price nor the Premium. The price of the product must be linked to production costs and market negotiations, the latter happening according to ethical principles, guaranteeing clarity, transparency and benefits to producers. The value of the Fair Trade Premium is determined by the necessities of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point where Fair Trade differs from other Fair Trade Certification Programs is that its scope applies to any farm product and not only to some certain products for which the minimum price and the Premium have already been defined.

To be IBD Fair Trade certified, besides the social, environmental and human development criteria prescribed in this norm, the projects must prove that the principles and the Fair Trade practices are present in trading relations where they participate. These Guidelines establish different criteria for economic development for each category of enterprise, and all them are considered minimum criteria.

<b>ECONOMIC DEVELOPMENT – FAIR TRADE</b>	
<b>FOR COLLECTIVE ENTERPRISES</b>	
<b>Minimum criteria:</b>	<b>Indicators:</b>
a) Corporate socio-environmental responsibility is explicit in the <b>group mission and policy</b> .	<ul style="list-style-type: none"> <li>• The group incorporates the concepts of Fair Trade and Socio-Environmental Development in the business plans of the company.</li> <li>• Partners meet to discuss about the benefits of Fair Trade and the socio-environmental projects in execution in the enterprise.</li> <li>• The Group Board issues document expressing expectations to cause improvement and good impact of fair trade among its workers and communities with whom they relate to.</li> <li>• The Group Board issues statement expressing their commitment to provide better working conditions that the minimum required by law.</li> <li>• The Group Board and fair trade Commission will elaborate the Ground Zero Diagnostic described in Appendix II which will give an overview of the actual history, socio-environmental and economic base.</li> <li>• The Board and Commission will ensure that all employees and members learn about the Fair Trade program.</li> </ul>
b) The group must be committed for a long term business relation with their suppliers and buyers expressing trust, transparency and continuity.	<ul style="list-style-type: none"> <li>• The group will have positive communication with suppliers and buyers.</li> <li>• The group has a good product information package for its suppliers and buyers.</li> <li>• The group has a good and ethical marketing</li> </ul>

	<p>and statement concept.</p> <ul style="list-style-type: none"> <li>• Group expresses full commitment to continuous improvement and quality.</li> <li>• There are clear signs of corrective action and quality/relationship improvement with suppliers or clients.</li> </ul>
<p>c) The group must <b>organize a Management Commission</b>, representing the direction and the coworkers of the different sectors, with the purpose to execute the management of the Program besides expressing empowerment of member farmers and a clear fair trade policy</p>	<ul style="list-style-type: none"> <li>• The group must prove that this Commission exists, and that it is representative and functions as manager of the Fair Trade Program.</li> <li>• The Commission must be empowered by the Group Board.</li> <li>• The Commission must have a clear fair trade policy.</li> <li>• The Commission has a task of administrating the Premium funds and to decide upon all fair trade actions in the company including the improvement and/or investments programs.</li> <li>• The Commission decisions must be communicated to the whole company.</li> <li>• The Commission must generate clear reporting on their decisions.</li> <li>• The supplier farmer group is expected to assume more responsibilities and work towards an independent company.</li> <li>• The farmers may remain in the group also if other crops are grown besides the cash crop.</li> <li>• The Commission must reach decisions preferably through consensus.</li> </ul>
<p>d) The group must prove that the <b>Premium</b> paid to the products will return in benefit of the socio-environmental development programs being implanted in the enterprise. The Premium will result in improvement programs and will impact the product price.</p>	<ul style="list-style-type: none"> <li>• All purchase and sale contracts must be in writing, containing information that demonstrates the price and the product Premium due to the Fair Trade. The Premium acceptance by IBD depends on the following:</li> <li>• When the investment in the Fair Trade Program is absorbed by the group itself, without appointment of these costs with final buyers, the demand before mentioned is void..</li> <li>• Besides that, the group must present an Investment Plan for this Premium, in the human and environmental development of the projects, along the certification year, showing congruence of this Plan with the attainment of the minimum and progress criteria in execution.</li> <li>• The group must prove that the paid workers</li> </ul>

	<p>are taking part and being benefited in the definition of the Premium application.</p> <ul style="list-style-type: none"> <li>• The Premium cannot be used to cover current costs nor normal business investments in the enterprise.</li> <li>• Group will, if required by buyer, supply price formation details like costs, margins, fair trade Premium.</li> <li>• A year report of use of the Premium must be available to all members.</li> <li>• A year report resume must be available to any interested party.</li> <li>• The Premium fund must be placed preferably in a separate account where the Commission has administrative power. If this is not possible, the Board must assign administrative responsibility to the Commission.</li> <li>• The Commission must approve investments that are in line with the Zero Ground Diagnostic and be approved by IBD.</li> <li>• The group may support and is expected to support social and environmental activities outside it's boundaries.</li> <li>• The Group must support with structure the Commission's working demands.</li> </ul>
<p>e) Price setting in the group must be transparent to group members and to trade partners.</p>	<ul style="list-style-type: none"> <li>• If a member or trade partner requires more information on price setting the group must inform in a transparent manner. The cost structure must be well set.</li> <li>• Product prices must be in general higher than other organic production.</li> <li>• New fair trade prices must be announced in a transparent form.</li> </ul>
<p>f) A <b>quality management system</b>, effective and adequate to the size and nature of the enterprise, must be designed and implemented during the first year of certification.</p>	<ul style="list-style-type: none"> <li>• Elaboration of quality plans and procedures.</li> <li>• Prove the functioning of this plans and procedures.</li> </ul>
<p>g) A <b>socio-environmental management system</b>, effective and adequate to the size and nature of the enterprise and Premium, must be designed and implemented during the first two years of certification.</p>	<ul style="list-style-type: none"> <li>• Elaboration and implantation of plans aiming to improve the social management of the enterprise: labor aspects, health and work safety, improvement in the relationship with the surrounding community, among others of contextual relevance.</li> <li>• Elaboration and implantation of plans aiming</li> </ul>

	to improve the environmental management of the enterprise: conservation and environmental recovery aspects, environmental education, management of residues and effluents, among others of contextual relevance.
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### 2.2.2 Criteria for Human and Social Development:

It is desirable that enterprises invest in social development and improvement of working conditions of workers and journeymen, guaranteeing access to the basic rights and granting the social benefits necessary to the individual and communal welfare. Enterprises must guarantee opportunity of participation to the concerned parties, as to their management – from the definition and execution of the socio-environmental development programs to the questions related to Fair Trade – favoring learning and the human development of actors involved.

Child and forced labor is vetoed in certified enterprises, as much as any other action with discriminatory character. To workers and producers must be guaranteed safe and adequate conditions of work, as well as a fair remuneration, and all these criteria are considered critical in these Guidelines.

The minimum criteria of human and social development are more directly related to working conditions. Now, the progress criteria seek also to promote improvements in living conditions of workers and producers, getting into questions like housing, nourishment, education, family health, among others.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development

HUMAN AND SOCIAL DEVELOPMENT	
FOR COLLECTIVE ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Minimum criteria:	Indicators:
a) The group must establish a <b>collective juridical structure</b> – Association or Coop – with Statutes and other documents that regulate the functioning of this structure or (item c).	<ul style="list-style-type: none"> <li>• In the maximum time of two years counting from the date of the first Fair Trade inspection the group must get organized through a juridical collective structure.</li> </ul>
b) The running of this group must be	<ul style="list-style-type: none"> <li>• The Coop statutes must foresee articles for</li> </ul>

<p><b>democratically</b> constituted or (item c).</p>	<p>the democratic functioning, guaranteeing transparency in the enterprise management.</p>
<p>c) The group must have a program to <b>adjust</b> to the established in items “a” and “b”.</p>	<ul style="list-style-type: none"> <li>• Adjustment programs must be implanted, in case items “a” and “b” are not being complied with.</li> </ul>
<p>d) At least 60% of producers must be attended by a <b>Technical and Organizational Support System</b><sup>2</sup>.</p>	<ul style="list-style-type: none"> <li>• In a time of up to one year counting from the date of the first Fair Trade inspection, the group must implant a Technical and Organizational Support System, offering qualifications to the associates.</li> </ul>
<p>e) In case the associates linked to the group hire employees, this hiring must be in conformity with current <b>labor legislation</b> or (item f).</p>	<ul style="list-style-type: none"> <li>• The group must hire directly its workers, through a formal contract or registration, as established by current laws in the country in question;</li> <li>• This contract must establish the wage value, the working journey. Labor rights and obligations, description of function, among other information to guarantee transparency to the contracting process.</li> <li>• <b>CRITICAL:</b> The wage value of workers must be equal or higher than the regional average, according to the established in Agreements or by the current labor specific legislation.</li> <li>• In cases of pay per production, the month value cannot be inferior to the established in the previous item.</li> <li>• Workers must have clarity about the value of their salary, inclusive when they gain per production. wages for seasonal workers must be compatible to normal wages at least.</li> <li>• The number of hours worked weekly, as well as the week paid resting, must be in accordance with the specific legislation.</li> <li>• The pay for extra hours must be in accordance to legislation. ; must not exceed 12 hours weekly and must be adequately paid for.</li> <li>• Hiring foreigners must be conditioned to the working permit, issued by the due government agency.</li> <li>• Payments must be official, documented and</li> </ul>

<sup>2</sup> The technical assistance is defined as the supply of services by one or more qualified technicians, specialized in the crops in question, capable to ensure producers involvement, and to counsel them in the overall production (soil preparation, sowing, fertilization, follow up of crop development, harvesting, technology for a first processing). The technician(s) must visit regularly the production region and supply appropriate instructions to producers, as well as secure assistance along the production term and harvest. The entirety of this visits must be documented(visits report).

	<p>in certain days. Must be transparent in deductions which should only be those approved by law or conventions.</p> <ul style="list-style-type: none"> <li>• In case law provision does not exist workers should be given 24 hours rest every 7 working days except emergency situations.</li> <li>• Overtime payment and refusal for overtime working hours must be clear.</li> <li>• Holiday must be according to law or at least 2 weeks per year.</li> <li>• For maternity periods not less than 12 weeks leave full pay not considering annual holiday and breastfeeding on return allowed.</li> <li>• No worker will be required to lodge their identity papers with their employer or any third party and workers pay, benefits or other property shall, likewise, not be retained.</li> <li>• Worker job descriptions, including necessary skills and legal status, and salary range shall be set in written form.</li> <li>• Employer shall not deduct from wages for disciplinary or similar purposes.</li> <li>• Job opportunities shall be made available first to qualified members of the local community.</li> </ul>
<p>f) The group must have <b>an adjustment</b> program towards the established in current labor laws.</p>	<ul style="list-style-type: none"> <li>• For each aspect of labor legislation which is not being complied with, an Adaptation Program must be established, with goals and terms clear and measurable.</li> </ul>
<p>g) Working conditions in the group must comply with the norms for <b>work safety</b> related to the type of activity or item “h”.</p>	<ul style="list-style-type: none"> <li>• Work risks must be identified and monitored in all working areas.</li> <li>• <b>CRITICAL:</b> The enterprise must reduce to a minimum the exposure of workers to working risks, through reduction in source and using safety equipment.</li> <li>• Employers will offer working qualification to workers, increasing the level of understanding about their function, risks related to it, as well as the individual and collective preventive or emergent safety measures to be adopted;</li> <li>• Areas with higher potential risks, like supply and storage of fuels, stocking of inputs, distilleries, steam boilers, dryers, turbines, among others, must have a substantial safety management: map of risk and safety measures visible, exit route, emergency</li> </ul>



	<p>procedures, orientation on first aid, among other procedures with the purpose to minimize exposure of workers to risks.</p> <ul style="list-style-type: none"> <li>• The group must make available personnel, material, machines and equipments necessary to prevent and attend different types of emergencies, in all work fronts, first aid kits, aides, fire brigades, fire extinguishers, water tanks, means of communication at long distance, among others.</li> <li>• The enterprise shall monitor and ensure compliance with its worker safety and health program and keep records of health and safety performance, including accident statistics for the operation.</li> <li>• Hazardous tasks, including the application or handling of pesticides such as insecticides, fungicides, and herbicides, for pests, diseases and non-crop plants, shall be conducted only by qualified and properly trained workers. The following types of employees, shall not be permitted to conduct such tasks, including subcontracted workers: Persons under the age of 18 or above the age of 60 - Pregnant or nursing women - Persons with mental illness - Persons with chronic, hepatic, renal, or respiratory diseases - Persons with other health problems or limitations that would make them more vulnerable to hazardous conditions. Guidance: The operation shall maintain documentation identifying employees excluded from these activities and require subcontractors to do the same. The certification body may allow for the minimum/maximum ages to be lower/higher than 18/60 in cases where national legislation and/or other legal permitting procedures are in effect, and provided there are measures in place to adequately protect the health and safety of such workers.</li> <li>• Wearing of appropriate personal protective equipment (PPE) and clothing is mandatory during handling and application of toxic substances or conduct of other hazardous tasks.</li> <li>• Certified organisations shall employ qualified personnel to instruct workers in</li> </ul>
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	<p>safety and health on the job, and especially in the safe handling, storage, and application of pesticides and other toxic materials and the safe conduct of other hazardous tasks.</p>
<p>h) The group must have a program of improvement in health at work, or item “e”,</p>	<ul style="list-style-type: none"> <li>• The group must establish the health measures provided by Law.</li> <li>• A Worker Health Management System must be established, detailing: <ul style="list-style-type: none"> <li>i-Periodicity and Type of medical exams to be performed;</li> <li>ii-Preventive and curative measures so as to attend emergencies and work accidents;</li> <li>iii-Qualification and training so as to improve workers health.</li> </ul> </li> <li>• Workers must have access to health support services during the whole work journey</li> <li>• Workers must be granted health leave when necessary.</li> </ul>
<p>i) The group must design a program to <b>adjust</b> to what is provided by law.</p>	<ul style="list-style-type: none"> <li>• For each aspect in health and safety which is not complying with the provided in Law, an Adjustment Program with goals and clear and measurable terms of time.</li> <li>• For migrant workers there should be clear contracting terms including: transport expenses, wages, employment time, overtime wages, repatriation if unable.</li> <li>• The Group must adapt to local pension or disability pension system and if not available create a reasonable one.</li> </ul>
<p>j) All producers must have access to <b>potable water and clean sanitary installations.</b></p>	<p>Enterprises must provide potable water and clean sanitary installations accessible for all workers.</p>
<p>k) When <b>producers reside in the work environment</b>, housing must offer adequate living and safety conditions</p>	<ul style="list-style-type: none"> <li>• Houses must offer fair conditions of use and basic sanitary installations, as well as being in a good state of conservation.</li> <li>• When housing is not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of housing.</li> <li>• Houses must be provided with basic sanitation, garbage collection toxic or not, , sewage installations and potable water.</li> <li>• If the services mentioned before are not free, the value to be paid must correspond to the</li> </ul>

	<p>same amount practiced in the surrounding area for the same kind of service.</p> <ul style="list-style-type: none"> <li>• Access to shops and services should be through transportation or through local fair priced services.</li> </ul>
l) In case the group <b>provides meals to workers</b> , the food will have to be nutritious and clean so as to guarantee good health to workers.	<ul style="list-style-type: none"> <li>• The nutritious and sanitary conditions of meals will have to be managed by the responsible people in the enterprise.</li> </ul>
m) The farm/association must allow access to <b>labor union</b> of workers.	<ul style="list-style-type: none"> <li>• Workers must have the right of union association, without any consequences as discrimination, or any other type of coercion to inhibit the union association.</li> <li>• Workers will be informed of their rights to filiate to unions/association.</li> </ul>
n) <b>CRITICAL:</b> The group must make sure that no form of <b>discrimination</b> happen in the course of production.	<ul style="list-style-type: none"> <li>• Certified groups must have a clear policy restraining discrimination and coercive practices, such as: <ul style="list-style-type: none"> <li>i-Corporal or mental punishment or verbal abuse.</li> <li>ii-Sexual harassment;</li> <li>iii-Dismissal or discrimination of workers who seek any complaint procedure workers union/association.</li> </ul> </li> <li>• Any kind of racial, color, religion, gender, among others, discrimination.</li> <li>• Employment not conditioned to wife working at enterprise.</li> </ul>
o) <b>CRITICAL:</b> It is forbidden any kind of <b>child labor</b> .	<ul style="list-style-type: none"> <li>• It is forbidden any kind of labor to minors of 18 years old, harmful to their health, and in disagreement to specific labor statutes supporting children and adolescents.</li> <li>• In traditional and indigenous communities where child labor is related to cultural learning, it may be permitted the participation of minors at work, provided their physical and psychologic integrity is guaranteed, without refraining their right to infancy and access to schooling.</li> <li>• Children living on the enterprise boundries will receive day care structure.</li> <li>• Children under 16 are not allowed employment.</li> <li>• Children living in the operation premises and in general (of employees) must receive</li> </ul>

	education.
p) <b>CRITICAL:</b> It is forbidden any form of <b>forced labor</b> .	<ul style="list-style-type: none"> <li>• It is vetoed the presence of people working in inadequate conditions to their physical, emotional, and mental health, as well as without the adequate reward to the work performed</li> </ul>
q) The group must be committed to transparency, organizing a Social and Environmental Management System, accessible to all parts involved	<ul style="list-style-type: none"> <li>• The group will provide adequate information to the interested parties, related to the relevant environmental, social, and legal aspects of Fair Trade Program, in language and form adequate to allow an effective participation in the decision making process.</li> <li>• The group will create and maintain documents with the purpose to bring transparency to its environmental and social management.</li> </ul>
r) <b>CRITICAL:</b> The right of access to land use must be demonstrated.	<ul style="list-style-type: none"> <li>• The group must run on lawful property.</li> <li>• Conflicts arising from land ownership must be solved legally, guaranteeing rights acquired by traditional communities, smallholders and other ethnical and social minorities, as well as other lawful landowners.</li> <li>• Land rights disputes shall be resolved before certified status can be awarded.</li> </ul>

<b>HUMAN AND SOCIAL DEVELOPMENT</b>	
<b>FOR COLLECTIVE ENTERPRISES</b>	
<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Progress criteria</b>	<b>Indicators:</b>
a) The group must have a program to improve the conditions of <b>technical support</b> to producers.	<ul style="list-style-type: none"> <li>• Qualification Programs;</li> <li>• Technical visits and continuing technical support;</li> <li>• Supply of material and productive infrastructure.</li> </ul>
b) The group must always aim the broad and conscious <b>social participation</b> of its members, promoting qualification and fostering autonomy and freedom	<ul style="list-style-type: none"> <li>• There must be Qualification.</li> <li>• Group dynamics must happen aiming to expand the level of conscience about living and working conditions and the social</li> </ul>

of the actors involved.	<p>participation.</p> <ul style="list-style-type: none"> <li>• Other initiatives.</li> </ul>
c) The group must try to foster the <b>training and development</b> of its members, as well as the existence of a work environment favorable to the individual and collective welfare.	<ul style="list-style-type: none"> <li>• There must have programs aiming qualification and human development;</li> <li>• Development of actions aiming to improve working environment and interrelationships, among others.</li> </ul>
d) The Direction of the group/association must organize so that the <b>information</b> about the programs existing in Fair Trade <b>reach all associates</b> , besides stimulating the collective participation in the execution of the projects and the definitions related to the subject.	<ul style="list-style-type: none"> <li>• The group must develop activities aiming to broad the knowledge of associates about the socio-environmental management, as well as the Fair Trade Guidelines.</li> </ul>
e) The group must have a program to improve the <b>educational level</b> of producers.	<ul style="list-style-type: none"> <li>• Programs to eradicate illiteracy.</li> <li>• Programs to improve Basic and Complementary Education;</li> <li>• Provision of means to incentive education, as, for example, transportation, scholarships; payment of improvement courses for producers;</li> <li>• Building of infrastructure and supply of school material;</li> <li>• Others.</li> </ul>
f) The group must have a program to improve <b>housing conditions</b> of producers.	<ul style="list-style-type: none"> <li>• Supply of potable water, sanitation;</li> <li>• Improvement of conditions in houses.</li> <li>• Supply of electric power;</li> <li>• Others.</li> </ul>
g) Promoting improvements in <b>nourishment conditions</b> of workers.	<ul style="list-style-type: none"> <li>• Building refectories/supply of meals;</li> <li>• Feed re-education program;</li> <li>• Structuring communal plantations in idler areas;</li> <li>• Implementing house vegetable gardens;</li> <li>• Sharing of food basics;</li> <li>• Other initiatives.</li> </ul>
h) Promoting improvements in <b>health conditions</b> of all workers.	<ul style="list-style-type: none"> <li>• Local medical support;</li> <li>• Medical insurance covering consultations, exams and hospital;</li> <li>• Transport to hospitals</li> <li>• Dental insurance;</li> <li>• Spectacles support;</li> </ul>

	<ul style="list-style-type: none"> <li>• Programs to reduce addictions on spirits and tobacco;</li> <li>• Others.</li> </ul>
i) Implantation of Programs of <b>support to the working woman.</b>	<ul style="list-style-type: none"> <li>• Building of creche/day care unit;</li> <li>• Program of activities and medical support for pregnant women;</li> <li>• Brest feeding orientation and support;</li> <li>• Equal payments to men;</li> <li>• Other programs.</li> </ul>
j) The group must have programs to <b>generate benefits</b> to the families of associates.	<ul style="list-style-type: none"> <li>• Programs of Road construction;</li> <li>• Supply of infrastructure, equipments;</li> <li>• Etc.</li> </ul>
k) Implantation of programs of <b>support to the elder people.</b>	<ul style="list-style-type: none"> <li>• Medical support Programs to the elder people;</li> <li>• Orientation and support as to retirement;</li> <li>• Supply of transportation, food, housing, etc.</li> </ul>
l) <b>Other programs</b> socially relevant suggested by the group itself.	<ul style="list-style-type: none"> <li>• Ongoing Programs.</li> </ul>

### 2.2.3 Criteria for Environmental Development:

It is expected that certified groups promote **environmental conservation and the sustainable management of natural resources** – soil, water, air, fauna and flora – as principles to the initiative management, seeking to harmonize economic development to environmental development.

In certified farms and companies it is forbidden the use of Genetically Modified Organisms – GMO, wild animals hunting, deforestation of primary forests after 2016 and release of effluents and residues without treatment in water bodies, and these are all **critical criteria** in these Guidelines.

As **minimum criteria** it is wished the **compliance with national environmental legislation**, and, as **progress criteria**, the definition of actions seeking to **minimize environmental impacts** caused by the operation and **promote environmental conservation**.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development

<b>ENVIRONMENTAL DEVELOPMENT</b>
<b>FOR COLLECTIVE ENTERPRISES</b>

<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Minimum criteria:</b>	<b>INDICATORS</b>
a) Groups must be <b>regularized along the environmental agencies.</b>	<ul style="list-style-type: none"> <li>• In 1 year, counting from the date of first inspection, 60% of associates must have their land Licensed for Operation, according to the established in Law, when applicable.</li> </ul>
b) The group will have to be in conformity to the current <b>environmental legislation</b> as to the (PPA) – Permanent Preservation Areas, and the (LRs) – Legal Reservations, (or item c).	<ul style="list-style-type: none"> <li>• At least 60% of the group must have a Legal Reserve that is registered by the Public Notary.</li> <li>• (PPAs) – Permanent Preservation Areas must be hard edged and protected from people’s access.</li> <li>• Any action in the PPA and LR areas must follow legal regulations.</li> </ul>
c) The use of <b>natural resources</b> (water, air, soil, forests, mineral ores) must be regularized along official agencies or (item d).	<ul style="list-style-type: none"> <li>• The use and management of natural resources must happen according to the laws and regulations about the matter, stressing on the need of licenses, authorizations, grants, ordinances, among other legal instruments, providing an environmental management legally supported and according to principles of sustainability and ecological basis.</li> <li>• <b>CRITICAL:</b> It is vetoed the deforestation of primary forests after 2016.</li> <li>• Certified groups must invest in management forms and technologies that reduce the need to use natural resources, as well as all waste and loss in the productive process.</li> </ul>
d) The group must have a program to <b>comply with</b> the established in Law.	<ul style="list-style-type: none"> <li>• Always that an environmental minimum criteria is not being attended, an Adjustment Program aiming to eliminate the non conformities, with defined timing and goals, must be designed and implemented.</li> </ul>
e) <b>Agricultural management</b> must allow conservation of soil fertility and structure and biodiversity.	<ul style="list-style-type: none"> <li>• Agricultural management must happen so that soil structure and fertility are maintained.</li> <li>• Soil structure and fertility must be periodically assessed and evaluated.</li> <li>• Fertilizers must not damage soils or water.</li> <li>• Compost, fertilizers and organic waste are used appropriately with composting, mulching, others.</li> </ul>
f) The group will avoid using <b>fire.</b>	<ul style="list-style-type: none"> <li>• The use of fire will only happen when is the</li> </ul>

	<p>only viable option, taking the due safety measures of social, environmental measures and above all, the procedure must be authorized by the due agencies.</p> <ul style="list-style-type: none"> <li>• Certified organisations shall adhere to governmental regulations and international conventions that pose additional limits on conversion of native vegetation to agricultural or other commercial purposes.</li> </ul>
<p>g) <b>CRITICAL:</b> The enterprise does not cultivate and manipulates any products <b>GMO</b>.</p>	<ul style="list-style-type: none"> <li>• It is forbidden the use of Modified Genetically Organisms in the property or the use of inputs which are or have any percentage of <b>GMO</b> when certified organic.</li> <li>• All non organic enterprises shall avoid the unintentional contamination of certified products by GMO's from external sources and shall demonstrate that the Non-GMO control system is set to assure that products have less than 0.1% of adventitious or unintended GMO contamination.</li> <li>• Certified organisations may use certain substances, produced by GMOs or which are of non-defined genetic origin, if: <ul style="list-style-type: none"> <li>• The substances are not available on a continuous basis in Non-GMO quality as defined in this standard (based on origin, production process, quantity and analysis);</li> <li>• The substances cannot be replaced with alternative products or methods;</li> <li>• The substances are necessary for animal health and protection reasons;</li> <li>• The substances are necessary for the production of food products; or</li> <li>• The substances' use in food or animal feed is required by law or by regulation in the country or region where they are produced and/or consumed.</li> </ul> </li> <li>• Certified organisations shall have in place an adequate system of segregation for GMO materials, achieved by one of the following methods: <ul style="list-style-type: none"> <li>i- Use of dedicated sites, facilities, equipment, conveyances, handling equipment and/or related infrastructure.</li> <li>ii- By inspecting and/or cleaning and/or flushing facilities, equipment and conveyances between use in contact</li> </ul> </li> </ul>

	<p>with genetically modified material and Non-GMO material.</p> <p>iii-A combination of the above methods.</p> <ul style="list-style-type: none"> <li>• Certified organisations shall have at least the following procedures and records to provide evidences that segregation is maintained: <ul style="list-style-type: none"> <li>i- Sampling plan for immunologically based screening using strip tests;</li> <li>ii- Sampling plan for PCR analyses;</li> <li>iii-Strip test procedure;</li> <li>iv-Strip test records;</li> <li>v- PCR analysis reports;</li> <li>vi-Records of flushing or cleaning for product change in non-dedicated sites;</li> <li>vii- Inspection checklist of trucks and other conveyances.</li> </ul> </li> </ul>
<p>h) <b>CRITICAL:</b> It must be forbidden hunting, capture and trading of wild animals and especially endangered plants. It is forbidden to threaten the shelter environments of animals and plants, especially those threatened.</p>	<ul style="list-style-type: none"> <li>• It is forbidden hunting, capturing and trading of wild animals and plants, being justified only when this practice is linked to the basic feeding of traditional and indigenous populations or to regulated wild harvest..</li> </ul>
<p>i) In case there are farm villages, the group must provide dwellers with good conditions of <b>basic sanitation</b> measures.</p>	<ul style="list-style-type: none"> <li>• Houses must have full sewerage installations.</li> <li>• Houses must have a system of collection and disposal of solid residues.</li> <li>• Houses must be supplied with potable water.</li> </ul>
<p>j) The group must implant a <b>System of Management of Solid Residues</b> guaranteeing the final destination and correct treatment of residues generated in the productive process.</p>	<ul style="list-style-type: none"> <li>• The way of discarding and/or treating the solid residues generated in the production system must be in compliance with current legislation and authorized by the due environmental agency when applicable.</li> <li>• Hazardous residues as oils, fats, batteries, IPEs and others must receive special attention.</li> <li>• The place of final destination must be operated according to legislation and bear an Environmental License, when applicable.</li> <li>• Solid waste volumes should be monitored.</li> <li>• A study should be designed to reduce solid waste.</li> <li>• Reuse and recycling of solid waste should be implemented where possible</li> </ul>



<p>k) A <b>System for Liquid Effluents Management</b> must be implanted, to guarantee the final destination and correct treatment of effluents generated in the productive process.</p>	<ul style="list-style-type: none"> <li>• <b>CRITICAL:</b> The way of discarding and/or treating liquid effluents originated in the productive process must be in accordance with current legislation and authorized by the due Environmental Agency, when applicable.</li> <li>• In the case of launch of effluents in water bodies, the enterprise must have the proper conferment of the environmental agency and must monitor periodically the quality of the effluent and the receiving body.</li> </ul>
<p>l) The group must design and implant a <b>Gaseous Effluents Management System</b>, in conformity with the established by law.</p>	<ul style="list-style-type: none"> <li>• Gaseous effluents launched in the atmosphere must follow Standards regulated by Laws and Deliberations of the Environmental Agencies.</li> <li>• The group must monitor periodically the quality of the effluent so as to guarantee that it is according to the standards.</li> </ul>
<p>m) Enterprises shall perform a comprehensive Environmental and Social Impact Assessment (ESIA) for new large or high risk greenfield expansion or projects and infrastructure to identify potentially harmful or damaging impacts and to define a Management Plan to address these where necessary.</p>	<ul style="list-style-type: none"> <li>• This plan also shall include actions to maintain and maximize biodiversity within and surrounding the operation, which will be updated yearly.</li> </ul>
<p>n) Non-biological wastes shall be</p>	<ul style="list-style-type: none"> <li>• segregated and, where appropriate, recycled. If recycling is not possible, a legal means of disposal or a legal alternative use shall be employed.</li> <li>• Biological wastes shall not be incinerated, except when required for phytosanitary purposes, or in some cases when burned for energy or heating, or used for biogas/oil production.</li> <li>• In cases where biological wastes are returned to the agricultural fields as either mulch or compost to build soil organic matter, or as fertilizer, these materials must be treated, where applicable, to assure the absence of chemical or biological contaminants.</li> </ul>
<p>o) Water, soil, pests, fertilization and irrigation shall be managed such that surface and groundwater and other</p>	<ul style="list-style-type: none"> <li>• Enterprises shall not undertake new initiatives that reduce the availability of water for neighbouring communities and</li> </ul>

<p>water supplies are not further contaminated.</p>	<p>farms for drinking and irrigation, or for "traditional" uses.</p> <ul style="list-style-type: none"> <li>• In cases where activities that predate the certification application damage water resources, certified organisations shall undertake improvements in practices according to an agreed time frame that will rectify such interference.</li> <li>• Certified organisations shall implement best practices for water management on the farm and for irrigation.</li> <li>• Certified organisations shall implement recycling systems and strategies to promote aquifer and water table recharge according to an agreed timeline.</li> <li>• Irrigation shall be managed so as to avoid contamination, salinization and desertification of the soil.</li> </ul>
<p>p) About Deforestation and New Planting</p> <p>For areas in countries where agricultural activity was previously established the compensation areas may be those determined by the state or outside the production areas.</p> <p>Areas under litigation will not be certified until a final court decision occurs. After 2016 it will no longer be possible to certify areas of primary forest that have been converted into production areas.</p>	<p>New production areas that were installed after 2005 must demonstrate that they have been conserved in accordance with the laws in force in the country or at least 12% of the total production area under at least one of the following formations:</p> <ol style="list-style-type: none"> <li>1. Primary forests;</li> <li>2. riparian forests;</li> <li>3. flooded areas;</li> <li>4. slopes above 45 degrees;</li> <li>5. archaeological sites;</li> <li>6. areas determined by law.</li> </ol>
<p>q) Biodiversity Maintenance</p> <p>Biodiversity of the production areas is guaranteed with areas for the preservation of primary or recovered vegetation.</p>	<p>The operator must present a map / sketch of the production area where the productive area and the biodiversity reserves indicated above will be indicated.</p> <p>A continuous improvement program should be implemented to ensure the existence and maintenance of biodiversity that will be built with at least:</p> <ol style="list-style-type: none"> <li>1- conservation and maintenance of native vegetation and wildlife in the production area or environments.</li> <li>2- Indicators and baseline of the state of native vegetation and wildlife.</li> </ol>

	<p>3- Measures to preserve native vegetation and wildlife.</p> <p>4- Monitoring.</p> <p>5. Rare, endangered or endangered species present permanently or temporarily on the property are protected.</p> <p>a. Hunting or collecting these species is not permitted.</p> <p>6- To compensate for areas smaller than 12%, the following actions of Progress Programs may be developed:</p> <p>a. Biological corridors,</p> <p>b. Projects to increase regional fauna and flora.</p>
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<b>ENVIRONMENTAL DEVELOPMENT</b>	
<b>FOR COLLECTIVE ENTERPRISES</b>	
<b>FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES</b>	
<b>Progress criteria</b>	<b>Indicators:</b>
a) Implantation of a program aiming to <b>optimize the use of energy resources.</b>	<ul style="list-style-type: none"> <li>• Programs to reduce losses in the system;</li> <li>• Programs to reduce the use of non renewable sources of energy;</li> <li>• Programs for renewable energy use;</li> <li>• Programs for recycling of energy materials;</li> <li>• Other initiatives.</li> </ul>
b) Reduction in the generation of <b>Solid Residues.</b>	<ul style="list-style-type: none"> <li>• Implantation of a Solid Residues Management Program to reduce discard/waste of byproducts and spinoffs in the activity;</li> <li>• Programs to reduce Consumption and Generation of Residues;</li> <li>• Other Programs.</li> </ul>
c) <b>Optimization of Water Resources.</b>	<ul style="list-style-type: none"> <li>• Program aiming to optimize the use of water resources (reduction of losses in the system) and reduction of catchment demand.</li> </ul>
d) Improvement in <b>management and conservation of soil structure and fertility.</b>	<ul style="list-style-type: none"> <li>• Programs to recover eroded areas, recovery of contour lines;</li> <li>• Pursuance of practices aiming the recovery of soil structure and fertility</li> <li>• Others.</li> </ul>

e) <b>Increment of biodiversity.</b>	<ul style="list-style-type: none"> <li>• Programs of biodiversity increment, like green barriers rich in biodiversity, ecological corridors, increase in forest reservation areas, among other initiatives aiming to improve the local biota.</li> </ul>
f) <b>Development of genetic material.</b>	<ul style="list-style-type: none"> <li>• Program of Development of genetic material adequate and the building of a seed bank (Individual or communal).</li> </ul>
g) Promotion of <b>Environmental Education.</b>	<ul style="list-style-type: none"> <li>• Program of Environmental Education seeking to raise the consciousness of workers, communities, among other actors, direct or indirectly related to the enterprise.</li> </ul>
h) Reduction in the Emission of Green House Gases.	<ul style="list-style-type: none"> <li>• Program aiming to map the emissions and design a plan to reduce the emission of Green House Effect gases.</li> </ul>
i) Environmental impact generated by <b>packages</b> of certified products.	<ul style="list-style-type: none"> <li>• Program to reduce the environmental impacts generated from the option made in the packing chosen by the group.</li> </ul>
j) <b>Another environmental program</b> to be suggested by the company.	<ul style="list-style-type: none"> <li>• On-going program.</li> </ul>

## 2.3. DEVELOPMENT CRITERIA FOR TRADERS

### 2.3.1 Economic Development Criteria: Fair Trade - Only for FAIR TRADE candidates.

**The practice of Fair Trade** is an international initiative aiming to improve the conditions of human and social, environmental and economic development lived by groups of producers and paid workers in development countries.

“Fair Trade” means that there is a trusting relationship between the one who buys and the one who sells, where trading commitments reach a long range, price negotiations are open and the Premium gotten from this initiative is invested in the social and environmental development of producers and journeymen.

In Fair Trade it is expected that, in participating if Fair Trade, enterprises become able to improve living and working conditions of journeymen and producers involved in the process, as well as to improve their environmental quality, seeking to minimize impacts and environment conservation.

Going further in the commercial relationships preconized by Fair Trade System, it is expected that the human beings involved in this process also develop, in other words, become conscious of social environmental and economic questions around them, be able to pro-actively act in the improvement of their own and their neighbors’ lives, autonomously and freely.

Fair Trade brings innovations to the traditional Fair Trade concept. In Fair Trade the certifier does not establish the minimum price, nor the Premium. The price of the product must be linked to production costs and market negotiations, the latter happening according to ethical principles, guaranteeing clarity, transparency and benefits to producers. The value of the Fair Trade Premium is determined by the necessities of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point that differentiates Fair Trade from other Fair Trade Certification Programs is that its scope applies to any product and not only to some certain products for which the minimum price and the Premium have already been defined.

Broadening further the Fair Trade concept, Trading Companies do not mandatorily need to undertake own social & environmental development programs, but they must pay a Premium to supported operations' development programs.

To be Fair Trade IBD Fair Trade certified, operations must prove that the principles and the Fair Trade practices are present in trading relations where they participate. These Guidelines establish different criteria for economic development for each category of enterprise, and all them are considered minimum criteria.

Operations covered and basic requirements:

Any trader, processor who imports and trades directly, importer who buys FAIR TRADE FAIR TRADE certified products, re-sells, processes or distributes. They may also buy products certified under other fair trade certification programs and re-sell as FAIR TRADE FAIR TRADE. Brand holders are also in title of certification/registration.

FAIR TRADE Traders have to match the following criteria:

- 1- Product traceability.
- 2- Good fair trade relations with suppliers.
- 3- Good fair trade relations with clients.
- 4- Paying of fair trade Premium, except where exemptions for this are made clear by certifier.
- 5- Show sustainability awareness and social responsibility.
- 6- Comply with yearly inspections. Except when exemption is given by IBD where no handling/product change occurs in very specific operations or for specific brand holders with subcontracted operations.

<b>ECONOMIC DEVELOPMENT – FAIR TRADE</b>	
<b>TRADERS</b>	
<b>Minimum Criteria:</b>	<b>Checking items when applicable:</b>
a) Corporate socio-environmental responsibility is explicit in the enterprise <b>mission and policy</b> .	<ul style="list-style-type: none"> <li>• Trader incorporates the concepts of Fair Trade and Socio-Environmental Development in the business plans of the company.</li> <li>• Partners meet to discuss about the benefits of</li> </ul>

	<p>Fair Trade and the socio-environmental projects in execution in the enterprise.</p> <ul style="list-style-type: none"> <li>• The Board issues document expressing expectations to cause improvement and good impact of fair trade among its workers and communities with whom they relate to including their suppliers.</li> <li>• The Board issues statement expressing their commitment to provide better working conditions that the minimum required by law.</li> </ul>
<p>b) The trader must be committed for a long term business relation with their suppliers and buyers expressing trust, transparency and continuity.</p>	<ul style="list-style-type: none"> <li>• The trader will have positive communication with suppliers and buyers exposing suppliers to the market and not creating dependence to that only trader.</li> <li>• The trader has a good product information package for its suppliers and buyers.</li> <li>• The trader has a good and ethical marketing and statement concept. Promotes fair trade.</li> <li>• Trader expresses full commitment and support to suppliers to continuous improvement and quality.</li> <li>• Declare fair trade oriented sourcing.</li> <li>• Acts in trading fair trade products at least when not fully from smallholder groups.</li> <li>• Reviews yearly how it can improve its fair trade policy.</li> <li>• Shows long term relation with clients and suppliers.</li> <li>• Shows low complaint level by suppliers.</li> <li>• Shows commitment with suppliers in working with them to improve their fair trade profile.</li> <li>• Shows commitment to fair trade in searching suppliers in existence risk.</li> <li>• In wanting to buy from other fair trade programs, trader must inform IBD filling in a specific document and wait for approval.</li> </ul>
<p>c) Traders are to ensure complete traceability of purchased and traded fair trade products.</p>	<ul style="list-style-type: none"> <li>• Internal documents and invoices must indicate fair trade products.</li> <li>• Must follow product classification according to these standards and avoid non intended mixture with non-certified products.</li> <li>• Traceability audits must be done for internal control and system testing.</li> <li>• Contracts to all purchases and sales must be available. Contracts must refer to fair trade</li> </ul>

	<p>quality products.</p> <ul style="list-style-type: none"> <li>• Trader must maintain updated buyer and seller list.</li> <li>• Packaging and labeling must be according to standards. All labels must be pre-approved by IBD before being in use.</li> <li>• Trader must have a complaint register and attendance procedure in place.</li> <li>• Good trading terms with advance payments to small holders.</li> <li>• Sourcing plan informed to supplier routinely every year before season begin.</li> </ul>
<p><b>The following items apply to enterprises where the Trader Certification includes the suppliers:</b></p>	
<p>d) The Premium payment must be linked to the needs of investment in the Socio-Environmental Development Programs.</p>	<ul style="list-style-type: none"> <li>• All purchase and sale contracts must be done in writing, containing information that demonstrates the price and the product Premium due to the Fair Trade. The acceptance of the Premium value by IBD is conditioned on the following item;</li> <li>• Besides that, the producers must present an Investment Plan for this Premium, describing how it will be used with the purpose to promote the social, human and environmental development of the suppliers, along the certification year, showing congruence of this Plan with the attainment of the minimum and progress criteria in execution.</li> <li>• The enterprise, farm or group must prove the participation of paid workers or producers in the definition of the Premium application.</li> <li>• The Premium cannot be used to cover current costs of suppliers.</li> <li>• Prices agreed cannot be bellow production cost.</li> <li>• Prices must cover basic product price and include Premium.</li> </ul>
<p>e) Certification costs must be paid primarily by the trading companies in case primary producers are smallholders. In the case that these costs are <b>passed over</b> to producers/suppliers, the costs must be clearly described in the contract.</p>	<ul style="list-style-type: none"> <li>• Contract. Requirement.</li> </ul>

f) Knowledge, by the producers, that the property of <b>use for the commercial brand and the FAIR TRADE Seal</b> belong to the trader.	• Contract. Requirement.
g) Knowledge, by the producers, that their certified <b>products</b> can only be <b>traded through the trader</b> .	• Contract. Requirement.
h) <b>Permanent provision by the trader company</b> , by every means, including financial, of: <b>technical</b> assistance, support to the commitment, personnel qualified to the company's goals, access to the IBD Guidelines and support to the local organization	• Contract. Requirement.
i) <b>The minimum price(s), the Premium and the limit date for payment</b> after the reception of product(s) supplied by the producers must be clauses displayed in the contracts.	• Contract. Requirement.
j) The definition of the <b>characteristics/features of the product</b> (color, size, weight, ripeness, etc.) linked to the minimum price agreed, as well as the price reduction rates for deviation from set Standards must be clearly stated in the contract.	• Contract. Requirement.
k) There must be <b>commitment of producers</b> / suppliers in deliver products (and amounts) agreed in contract to the contracting company must also be a clause in the contract.	• Contract. Requirement.
l) There must be <b>commitment of producers/suppliers</b> in following IBD Guidelines, as well as allow inspectors access in their properties without prior notice.	• Contract. Requirement.
m)The company must perform actions that permit the <b>adaptation</b> to the established in items "a" to "k" at most in two years after started the certification process.	• Ongoing actions.

**2.3.1. Human and Social Development Criteria:**



In the case of traders that only buy and sell Fair Trade products, inspections will be restricted to verifying traceability and the economic development criteria. When the trader's certification is associated with that of its suppliers, the socio-environmental development criteria will also be checked, in accordance with item 2.2.2 of this Standard. However the basic general criteria here is that the Trader must demonstrate that it implements optimized or fair working conditions to its own employees.

### **2.3.3. Environmental Development Criteria:**

In the case of traders restricted to trading Fair Trade products, inspections will be restricted to the guarantee of traceability and to the economic development criteria. When the trader certification is associated to its suppliers' certification, the environmental development criteria will also be checked, in accordance with item 2.2.3 of this Standard.

## **APPENDIX I - Glossary of terms, acronyms and definitions used in the Fair Trade Guidelines**

**Agrochemicals-** Chemical substance used in agricultural production systems to maintain soil fertility (fertilizers); to control weeds (herbicides) or to combat pests (insecticides, fungicides, etc.)

**Permanent Preservation Area (PPA)** – According to the Brazilian Forestry Code, Permanent Preservation Areas are considered the forests and other forms of natural vegetation situated:

- a) Along rivers or other water streams from their highest levels in marginal zone with minimum width as follows:
  - 1) 30 meters for watercourses less than 30 meters wide;
  - 2) 50 meters for watercourses 10 to 50 meters wide;
  - 3) 100 meters for watercourses 50 to 200 meters wide;
  - 4) 200 meters for watercourses 200 to 600 meters wide;
  - 5) 500 meters for watercourses above 600 meters wide.
- b) around lagoons, lakes, or water reservoirs, natural or artificial;
- c) in water springs even when intermittent, whatever be their topographic situation, in a minimum ray of 50 meters;
- d) in mountain, hill, and range tops;
- e) in slopes, or part of them, when declivity is superior to 45% equivalent to 100% in the line of major sloping;
- f) in sand dune areas, as fixers or stabilizers in mangroves;
- g) on the brims of mesas, plateaus and tablelands, from the breaking line, in a strip never inferior to 100 meters in horizontal projections;
- h) in altitudes above 1.800 meters, whatever the vegetation.

**Evaluation:** Process of identification of more in depth positive and negative results of a certain activity or process, aiming to find if the results have been attained.

**Conservation:** The protection, rational use and restoration of natural ecosystems and resources, according to principles that guarantee the maximum social and environmental benefits without degrading the resources or ecosystems involved.

**Receiver Water Body:** A body of water that receives residuary waters (treated or not), coming from industrial, agricultural or home activities.

**Diagnostic and Participating Monitoring:** Process of data collection and evaluation in a participating form, providing inner learning, identification of aspects to be metamorphosed and foster motivation, so that the actors involved become active subjects in the transformation process – social and environmental.

**Discrimination;** For these norms, it is used the definition established by ILO (International Labor Organization),”Any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation;”

**Integrated Management of Solid Residues:**

The management of solid residues in the company/farm must have as a starting point the characterization of the residues – type and quantity.

It is desirable to know the type and quantity of the residues generated, so that the company/farm assesses the best destiny for each type generated, taking into consideration the reduction of environmental impact and the logistics of transport and treatment. Stages:

- ✓ To know the residues– type and quantity;
- ✓ Reduce the production of residues;
- ✓ Define destiny and treatment;
- ✓ Define logistics – segregation, transportation, treatment.

This system must be licensed by the due environment agency, normally in state level.

Warning: harmful residues like oils, fats and batteries need special attention.

**Management of Liquid Effluents:**

The management of liquid effluents in the company/farm must have as a starting point the characterization of the effluents – type and quantity.

It is desirable to know the type and quantity of the effluents generated, so that the company/farm assesses the best destiny for each type generated, taking into consideration the reduction of environmental impact in the receiving body. Stages:

- ✓ To know the effluents – type and quantity;
- ✓ Reduce the production and implant systems to use them;
- ✓ Define destiny and treatment;
- ✓ Monitor quality of effluent and the receiving body.

This system must be licensed by the due environment agency, normally in state level.

**Management of Gaseous Effluents:**

The management of gaseous effluents in the company/farm must have as a starting point the characterization of the residues – type and quantity.

It is desirable to know the type and quantity of the effluents generated, so that the company/farm assesses the best destiny for each type generated, taking into consideration the reduction of environmental impact in the air. Stages:

- ✓ To know the effluents– type and quantity;
- ✓ Reduce the production;
- ✓ Define the best treatment and type of release;
- ✓ Monitor quality of effluent and air.

This system must be licensed by the due environment agency, normally in state level.

**Indicator:** Indicators are resources used to monitor and communicate results, they may express quantitative or qualitative features of a process or activity about which it is intended to measure alterations occurred.

**Impact:** Disturbance, consequence, repercussion or effect of an intervention in its medium.

**Environmental Licensing:** Administrative procedure by which the authoritative government agency gives license for location, installation, enlargement and the operation of activities users of environmental resources considered effective or potentially polluter, or those which, by any means, may cause environmental degradation, considering the legal disposition and the applicable technical norms (according to COBAMA resolution 237/97).

**Integrated Pest and Illnesses Management: (IPM/IIM)** – A long range preventive strategy to combat pests, involving a combination of techniques such as, biological control (use of beneficial insects or microorganisms), use of resistant varieties and the use of alternative agricultural practices (spraying, fertilization or pruning). The purpose of IPM is to establish less favorable conditions for pest

development. Pesticides are used only when the damage caused by the pest is bigger than the level the producer may economically stand (see Economic Limit).

**Monitoring:** Systematical and continuous process of progress verification in alterations caused by the implementation of a certain activity along a certain period, in general using pre established indicators or a questionnaire periodically repeated.

**Non-conformity:** Unfulfillment of one or more demands of the norm.

**Genetically Modified Organisms (GMOs)** - Genetically modified organisms (GMOs) or transgenic organisms are living beings in which their genetic material (DNA) is changed through transgenesis, it means, through the artificial transfer of genes having certain characteristics from an unrelated species (of bacteria, viruses, plants or animals).

**Water Grant:** The Grant is a management instrument which guarantees the interested party to use water from a certain water source, or launch effluent in a water body. These activities must be executed in accordance with regulations extant in the National Policy for Water Resources, which, in Brazil, is the Federal Law 9.433, from January, 1997.

**Social Participation:** Process where the subjects involved in certain processes are motivated to become conscious on their life and work reality and to act as agents in the changes identified as necessary.

**Socio-environmental Policy:** Intentions and orientations of the company or farm in relation to the socio-environmental of the enterprise.

**Procedure:** A certain specific way to execute an activity or process to be in conformity with the norms.

**Qualified/Authoritative Professional:** A person with professional and academic experience, qualified to act in sustainable agricultural and industrial production.

**Program:** Planning oriented by aims, goals, policies, procedures and other elements and documents necessary to ensure the fulfillment of the Guidelines.

**Productive Property:** Enterprise subject to the certification or inspection.

**Legal Reservation:** Area placed in a farm, excepting the PPAs, necessary to the sustainable use of the natural resources, the conservation and restoration of ecological processes, biodiversity conservation and the necessary shelter to native flora and fauna, according to Law 4771.

**Permanent workers:** Workers with a contract for undetermined period in a certain enterprise.

**Part time workers:** Workers hired for a certain period of time in an enterprise.

**Hired work:** Formal working relationship, based on a hierarchy between employer and employees.

**Unionized Work:** Workers are represented by organized entities with the purpose to defend their interests, aiming to guarantee good and adequate working conditions.

**Family Production Unit:** Enterprise not depending in its structure on hired workers to perform most productive activities.

## **APPENDIX II - Reflections regarding the relationship between IBD's Fair Trade Programs and a few international agreements dealing with socio-environmental management**

### **1. INTRODUCTORY ASPECTS**

In the contemporary world, the consequences of *accelerated modernity*<sup>3</sup> are evident, effecting the material and symbolic universe of all human beings that inhabit our planet, while also causing consequences to the physical and biotic environment in a generalized way. Modern social institutions are in some respects unique in their form. The way of life that has resulted from modernity has disengaged us from traditional ways in an unprecedented manner, taking humanity, according to GIDDENS (1991), towards a *discontinued* interpretation of modern social development.

Obviously, continuity between the traditional and the modern exists, and neither one nor the other exists in and unto itself. However, the changes that have occurred during the last three or four centuries – a small period of historical time- have been dramatic and widespread in terms of social, economic, cultural and environmental impact. The transformations resulting from modernity are more profound, as much for their extensive as for their intensive character, than the majority of the changes that characterize preceding periods.

The realization that the institutional foundations of modernity, such as industrialism, for example, could bring about the excessive destruction of natural resources was already a reality in the 19<sup>th</sup> century. Ever since then, we have been facing the following dilemma: *how to reconcile civilization's physical demands with the new environmental values and feeling engendered by this same civilization?*

Modernity has also produced important consequences in the social realm. Misery, hunger, social inequality, racial discrimination, prejudice, poor quality education, fragile health, inadequate human settlements, among others, are all widespread social problems today. According to data from the World Health Organization, the beginning of the 21st century has brought more than 15 million deaths from hunger annually – the majority being children; and another 500 million human beings that are gravely malnourished. Nearly 40 percent of the world's population does not have access to professional health services and 30 percent do not have access to potable water.

Another relevant aspect of the globalization process is the *homogenization* of differences in favor of conceptual and technological hegemonies adopted as an absolute truth for all. With this, minority cultures have been decimated in many countries, with the consequential loss of their ways of life and world views, as well as their knowledge and traditional technology, above all related to the traditional management of natural resources.

With this knowledge, the urban-industrial population is losing a great opportunity to learn how to relate more sustainably with the environment and its resources. As an immediate consequence of this process, humanity finds itself even more dependent on artificial resources, which it does not dominate, leading to what GIDDENS calls *detachment*. The predominate world view leads to the distancing of people from their immediate reality, which they understand and with which they have an intimate relationship based on trust.

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<sup>3</sup> GIDDENS (1991) analyzes the world situation as a *modernity situation*, nonetheless a modernity different from that which arose in Europe in the XVII century and that subsequently became more or less worldwide in its influence. *It deals with a period in which the consequences of modernity are become more radical and universal than before (p:13)*. This situation is called *accelerated modernity* by the author.

This is substituted by interconnection with products/processes, which are not entirely understood, but nonetheless must be relied upon, as occurs with the current food supply system, for example.

Currently, nearly everything, or everything that is consumed, is produced by third parties, using criteria unknown to the majority. Human beings have distanced themselves from that which guarantees their own existence, in other words, their food, giving more importance to price parameters than to quality. This can be seen when one compares, for example, the number of times that the media emphasizes the price of food in counterpoint to food quality. The value of the basic food basket has been given innumerable times more importance than the quality (nutritional value and production method) of its contents.

The detachment of populations with their immediate reality, as much in regards to food, as to innumerable other variables, is an important contributing factor to the current disequilibrium faced by humanity. Human beings cause environmental imbalance—environmental pollution and biodiversity loss – in the production of food, while simultaneously causing an imbalance within their own bodies by consuming poisoned food. Given this, it can be said that the hegemonic world view and lifestyle has been responsible as much for environmental, as well as individual, degradation at an unprecedented level, potentially resulting in ecological catastrophe and even the extinction of the human species.

According to CAPRA (1993), this crises situation evokes a sensation of risk, but also a spark for change. In Chinese, this concept can be seen within the very word “crises” – *wei -ji* –, which is formed by two characters: “risk” and “opportunity”. Historically, the process of decline by peak societies can be tied to the moment in which a civilization has lost its capacity to deal with diversity, imposing a hegemonic petrified standard. The loss of flexibility by a society already in disintegration has been accompanied by a general loss of harmony among its elements, which inevitably triggers discord and social disruption.

However, during the painful process of disintegration, society’s creativity – its capacity to respond to challenges – is not completely lost. Although the cultural mainstream has become petrified by insisting on fixed ideas and rigid patterns of behavior, creative minorities appear on the scene to carry on the process of challenge-response. The dominant social institutions tend to refuse to deliver their leading roles to these cultural forces, but inevitably continue to decline and disintegrate while the creative minorities become able to transform some of the old elements, giving them a new configuration. The process of cultural evolution continues, but under new circumstances and with new leaders.

The socio-environmental crisis of modern society has provoked responses within different segments of society. This intensified in the 70's, with the creation of movements organized around the building of an alternative society. The political movements of that time, together with the structuring of social movements, the environmental movement and the movement for ecological agriculture, demonstrate the emergence of creative groups, joined together in their search for new directions.

The global crisis has triggered efforts to construct a new paradigm, capable of providing environmental, social, economic and political sustainability to life processes on the planet. According to Capra (1993), the beginnings of this change, the transfer from a mechanistic to a holistic conception of reality, are already visible in every corner, capable of dominating the present decade. The movements generated in the 60s and 70s all seem to have moved in one direction, emphasizing different aspects of this new perception of reality. However, until now, most of these movements have not recognized that their intentions are interrelated. According to this author, when these different forces realize their own importance, as part of a common whole, the various movements can be expected to flow together, forming a powerful force for social change.

However, until this happens, still in the beginning of the 21<sup>st</sup> century, humanity continues to ask: What would be a more sustainable model from the social, economic, political and environmental standpoints? Is

such a model possible at this juncture? What should be done to achieve it? These questions are also being asked by the United Nation's Member Countries. As a result of the search for answers, international agreements were produced in order to provide a foundation for actions in favor of this new development model.

In 1992, the United Nations Conference on Environment and Development - ECO 92 – was held in Rio de Janeiro, Brazil. During this conference, the world was challenged with the task of implementing a common agenda among member countries, which aimed to change the planet's development course, moving it towards sustainability. In 1999, the UN initiated the GLOBAL PACT program, directed to the international business community, which aimed to promote commitment to fundamental values related to human rights, labor relationships and the environment. In 2000, during a meeting called the Millennium Summit, member countries enacted the Millennium Declaration, which consists of "Eight Millennium Development Goals" to be reached by member countries before the year 2015. In line with these documents, other documents were also produced, such as the Kyoto Protocol and the Earth Charter, as well as a massive arsenal of laws and decrees that encompass social and environmental issues worldwide.

It is clear that the initiatives by the UN, as well as all the other documents mentioned, are fundamental, given that they provide parameters for building a better world for all. However, according to Veiga (2004), in order for the goals laid out in these documents to be effectively achieved in areas where problems really exist - the immediate reality – they need to be incorporated by all societies and within the public policies of all countries.

In this direction, IBD Certificações, as a certification company for products and processes, decided to contribute in a more focused way to overcoming the current socio-environmental situation through the creation of the Fair Trade Certification Program (applicable to organic products and processes). In this way, this certifier seeks to stimulate change through the local implementation of the principles, objectives and targets envisioned by the principal international agreements.

The Fair Trade Certification Program is intended for products that are naturally targeted for marketing. Marketing products generated through balanced social and environmental relationships involves the concepts of Ethical Commerce and Solidarity, or Fair Trade. The Fair Trade certification is the IBD's Fair Trade Program, whose methodology differs from other related certifications in the following aspects:

- ✓ Focus on local development and not on payment of a Premium Price.
- ✓ Bring together, in one certification, individual, social, environmental, and economic development, as well as quality criteria.
- ✓ Focus on environmental aspects as well as social aspects.
- ✓ Deals with aspects related to living conditions and not only aspects related to working conditions.
- ✓ Methodology focused on participatory diagnostics, planning, and monitoring.

In order to be certified, the operations must present an Initial Diagnostic that identifies the social and environmental goals to be reached. These must be transformed into a detailed Action Plan that specifies how these improvements will be carried out. The Plan must show how compliance will be met for all minimum criteria listed in the Standards and describe at least two progress criteria related to Environmental Development and two related to Social Development, during the certification year.



Participation is fundamental to the diagnostic, as well as to the selection and management of the development programs, such that the various stakeholders involved in the operation are all organized and represented within the Management Commission. Social participation is fundamental to IBD's Fair Trade Certification, serving as a driving tool to human development, stimulating individual growth through greater awareness and appropriation of knowledge.

The stimulation of local socio-environmental development through social participation is also fundamental to various Protocols and International Agreements. As a result, many similarities can be identified between these agreements and the Fair Trade Program.

## **2. FAIR TRADE PROGRAM AND MAIN INTERNATIONAL COOPERATION AGREEMENTS**

The Fair Trade Program evaluates projects on the following specific criteria:

### **Environmental Criteria:**

- ✓ Conformity with current environmental legislation and requirements of environmental agencies;
- ✓ Preservation of protected environmental areas (PPAs, LRs and Conservation Units);
- ✓ Management of natural resources (forestry, subsoil and soil resources);
- ✓ Management of water resources;
- ✓ Management of solid residues (reduction, reuse, recycling);
- ✓ Management of liquid effluents;
- ✓ Management of gaseous effluents;
- ✓ Management of a biodiversity and seed bank;
- ✓ Environmental impact of agricultural production or wild harvesting.

### **Social Criteria:**

- ✓ Conformity with current labor laws and regularization with labor organizations;
- ✓ Support for unionized labor;
- ✓ Safety and health in the workplace;
- ✓ Equality of benefits for fixed and temporary workers;
- ✓ Profit sharing;
- ✓ Employee training;
- ✓ Management training for producer groups (Internal Control System)
- ✓ Technical training for producer groups;
- ✓ Absence of child labor;
- ✓ Absence of social, racial, religious, political or gender discrimination;
- ✓ Basic and Secondary School Education;
- ✓ Housing, food, health;
- ✓ Support for women workers and for pregnant and nursing women;
- ✓ Support for the elderly;
- ✓ Prevention and support for addicts (smokers, alcoholics, and drug users)

### **Economic Criteria:**

- ✓ Fair Trade relationships;
- ✓ Open, transparent and lasting negotiations between interested parties;
- ✓ Premium payments to the operation for Fair Trade practices;
- ✓ Premium used to promote local social and environmental development;



✓ Socio-environmental Participatory Management

These evaluation parameters are in conformity with the principle international agreements that regulate social, environmental and fair trade actions directed towards overcoming the current model of development, such as;

## 2.1 AGENDA 21

- **Combating Poverty** (chapter 3), advocates the empowerment of small farmers, indigenous and wild harvest communities in achieving sustainable livelihoods;
- **Implementation of actions aimed to change current consumption patterns** (Chapter 4), through the efficient, rather than exploitative, use of natural resources;
- Protect and promote **human health conditions** (Chapter 6), by satisfying the needs for primary health care (especially in rural areas) and controlling infectious diseases;
- **Promote sustainable development of human settlements** (Chapter 7), by improving the quality of social, economic and environmental conditions in settlements, as well as the quality of life and working conditions of all those involved in the Fair Trade program;
- Reduce levels of **air pollution** (Chapter 09) under the current industrial model, through organic agriculture practices;
- **Implement an integrated approach to planning and resource management** (Chapter 10) through participatory management of the Fair Trade program;
- **Combat deforestation** (Chapter 11), through training programs for local staff in the area of sustainable management and through compliance with laws geared towards the preservation and conservation of ecosystems.
- **Promote the sustainable management of fragile ecosystems** (Chapter 12) through respect for environmental legislation and the requirements of sustainable farm management and wild harvesting practices;
- **Promote sustainable agriculture and rural development and conserve biodiversity** (chapters 14 and 15) through the concepts and practices of organic and biodynamic agriculture;
- **Protect water resources** (Chapter 18) through the proper management of water quality and supply, applying integrated criteria for development, environmental sustainability and effluent waste management;
- **Promote the proper management of solid waste** (Chapter 21) by respecting current environmental regulations and encouraging recycling programs throughout the supply chain;
- **Strengthen the role of social groups** (Chapter 23) by adopting new forms of participation in which individuals and organizations are encouraged to develop innovative procedures for assessing social and environmental impacts, as well as by contributing to the development of tools to assist in the implementation of proposals and monitoring at the local level;
- **Worldwide articulation for women** (Chapter 24) by combating discrimination, respecting labor laws and encouraging social programs that ensure equal opportunity for women workers;
- **Insertion of children and youth in the sustainable development movement** (Chapter 25) through access to formal education and incentive programs aimed at increasing contact with sustainable management technologies, as well as through the recovery of regional cultural and agricultural knowledge;
- **Recognize the value and strengthen the role of indigenous people and their communities** (Chapter 26) through respect for indigenous territories, as well as through sustainable means of income generation that enable financial autonomy and are tied to cultural and environmental sustainability;

- **Strengthen the role of NGOs** (Chapter 27) by encouraging the formation of participatory management systems and regular monitoring of social and environmental development parameters;
- **Strengthen the role of rural workers and their unions, industries, commerce, and farmers** (Chapters 29, 30 and 32), by respecting labor legislation and through participation in the management of social and environmental development programs;
- **Promote education, awareness and training among local social agents, enabling them to be proactive in overcoming the current development model** (Chapter 36), by encouraging the formation of participatory management systems and through participation in the management of social and environmental development programs;
- **Ensure democratic participation, empowerment and autonomy through the encouragement of decision making by social actors who are involved in sustainable development actions** (Chapter 40), by encouraging the formation of participatory management systems and through participation in the management of social and environmental development programs;

## 2.2 THE EARTH CHARTER

The Earth Charter, written during the United Nations Conference on Environment and Development in 1992, argues that in order to overcome the principle world problems present today, societies must have a sense of universal responsibility, connecting themselves to the Earth's entire community as well as to the local community. Citizens must belong simultaneously to different nations while also belonging to a world in which the local and global dimensions are linked. Every individual shares responsibility for the present as well as for the future well-being of the human family and of the entire world of living beings. The spirit of human solidarity and kinship with all life is strengthened when one has reverence for the mystery of existence, is grateful for the gift of life, and lives with humility regarding our place in nature.

Humanity needs to urgently develop a shared vision of basic values, capable of providing an ethical foundation for the emerging world community. To this end, the Earth Charter proposes the following principles, all interdependent, which seek a sustainable way of life as a common criterion to guide and assess the conduct of all individuals, organizations, businesses, governments, and transnational institutions.

By establishing a parallel between the evaluation parameters that compose the Fair Trade program and the principles that compose the Earth Charter, one observes a complete communion of assumptions and guidelines between the two.

The Earth Charter calls for the following:

- Respect Earth and life in all its diversity.
- Build democratic societies that are just, participatory, sustainable, and peaceful
- Care for the community of life with understanding, compassion, and love.
- Secure Earth's bounty and beauty for present and future generations.
- Protect and restore the integrity of Earth's ecological systems, with special concern for biological diversity and the natural processes that sustain life.
- Prevent harm as the best method of environmental protection and, when knowledge is limited, apply a precautionary approach.

- **Avoid military activities that are damaging to the environment.**
- Adopt patterns of production, consumption, and reproduction that safeguard Earth's regenerative capacities, human rights, and community well-being.
- Advance the study of ecological sustainability and promote open exchange and wide application of the knowledge acquired.
- Eradicate poverty as an ethical, social, and environmental imperative
- Ensure that economic activities and institutions at all levels promote human development in an equitable and sustainable manner.
- **Ensure that all trade supports sustainable resource use, environmental protection, and progressive labor standards.**
- Affirm gender equality and equity as prerequisites to sustainable development and ensure universal access to education, health care, and economic opportunity.
- Uphold the right of all, without discrimination, to a natural and social environment supportive of human dignity, bodily health, and spiritual well-being, with special attention to the rights of indigenous peoples and minorities.
- Strengthen democratic institutions at all levels, and provide transparency and accountability in governance, inclusive participation in decision making, and access to justice.
- Integrate into formal education and life-long learning the knowledge, values, and skills needed for a sustainable way of life.
- Treat all living beings with respect and consideration.
- Promote a culture of tolerance, non violence and peace.

## 2.3 GLOBAL COMPACT PROGRAM

The Global Compact program has been led by the United Nations (UN) since 1999, with the goal of disseminating guidelines for companies worldwide with regards to human rights, labor laws and the environment. It is a compendium composed of 09 principles aimed at encouraging businesses to implement social and environmental responsibility.

The nine principles of the Global Compact have been incorporated into the evaluation parameters that compose IBD's Fair Trade Programs:

- Businesses should support and respect the protection of internationally proclaimed human rights
- They should make sure that they are not complicit in human rights abuses.
- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- The elimination of all forms of forced and compulsory labor;
- The effective abolition of child labor; and
- The elimination of discrimination regarding employment and occupation.
- Businesses should support a precautionary approach to environmental challenges;
- Undertake initiatives to promote greater environmental responsibility; and
- Encourage the development and diffusion of environmentally friendly technologies.

## **2.4 MILLENNIUM DECLARATION**

In September 2000, the UN brought together 147 Government officials in an event called the "Millennium Summit", during which the "Millennium Declaration" was drafted and subsequently endorsed by all 189 member countries, reflecting a growing concern regarding the sustainability of the planet and the serious problems affecting humanity.

Although these leaders, through signature of the document, reaffirmed their intention to implement programs leading to sustainable development and the eradication of poverty nationally and worldwide, they have faced obstacles and limitations for achieving these goals in their home countries.

According to Veiga (2004, p.05), the complexity and breadth of these obstacles have been shown to be greater than the capacity and willingness of local governments to resolve them, making societal participation, through partnerships between the various social actors involved and the various levels of government, extremely necessary for developing effective and comprehensive solutions.

Through its Fair Trade programs, IBD Certifications is contributing to the realization of the eight Millennium Development Goals set forth in this international agreement, as can be seen below;

- Eradicate extreme poverty and hunger.
- Achieve universal and quality primary education for all
- Promote gender equality and empower women.
- Reduce child mortality.
- Improve maternal health.
- Combat AIDS, malaria and other diseases.
- Ensure environmental sustainability.
- Promote a global development partnership.

## **2.5 OTHER INTERNATIONAL AGREEMENTS AND NATIONAL SOCIO-ENVIRONMENTAL REGULATIONS:**

In addition to the International Cooperation Agreements mentioned above, there are others for which the Fair Trade Program offers direct contribution at the local level, such as: the Kyoto Protocol, Biodiversity Convention and the various International Labor Organization Conventions. In addition, The Fair Trade program contributes to the enforcement of national laws by requiring that companies under certification meet Social and Environmental Regulations pertinent to their home country (minimum criteria).

### APPENDIX III - Main Differences between certification categories

1. Individual enterprises / Collective enterprises
2. Traders / manufacturers who also produce raw materials on own fields.
3. Traders / manufacturers who buy raw materials from suppliers.

	Management commission	Compliance with environment and labor laws	Development programs	Inspections	Visibility	Traceability reporting
1	Yes	Yes, minimum criteria, audited	Yes, according to standard	Yes, annually, full, by IBD or approved local Certification body/inspector	Use of Fair Trade seal associated to operations' label and marketing material	Yes
2	Yes, at least in the first audit, except for Trading offices that do not handle products	Yes, minimum criteria, audited	If IBD do not detect any improvement program in the Company, operation must sponsor development programs in raw material suppliers	Yes, full in first year, to check need of improvement programs in the Operation.  2nd year on, follow OPTIONS 1 or 2 below only if no NCs were result of first audit. Follow on auditing and once an audit shows no NCs options under may be taken..		Yes
3	No	No, operation signs an agreement, not audited	No	OPTION 1: Traceability report sent by company to IBD every 6 months and audit done by local inspector every 3 years.  OPTION 2: Simplified checklist and confirmation of organic certification with master certificate sent by company's local certifier each year and audit done by local inspector every 3 years	Use of claims on Fair Trade certified ingredients associated to the list of ingredients (indicating which ingredients are FT certified) on the products label  NO Fair Trade seal use displayed close to the Company seal in the front label, nor in marketing materials  Obs – if the Company wishes a better visibility, shall upgrade to category n°2	Yes

**APPENDIX IV: Procedures for pesticide use, Prohibited or Not Recommended Agrochemical Lists for Use - Fair Trade IBD Program**

- (1) Whenever possible producers should reduce the use of chemical fertilizer to the optimal minimum level.
- (2) Growers shall avoid or reduce the use of toxic or polluting materials whenever possible, and shall select agrochemical inputs having the least possible toxicity and environmental impact for the required application.
- (3) Operators shall use non-chemical weed control methods whenever possible, such as mechanical methods and management of crop rotations, crop succession and intercropping.
- (4) Pesticides shall be applied using methods that minimize harm to human health, wildlife, plant biodiversity, and water and air quality.
- (5) Operators shall not engage in pesticide spraying over bodies of water, or over preserved, protected or residential areas, in compliance with regional, national, and local regulations.
- (6) In crop areas adjacent to roads or residential areas where access by people is possible, recently sprayed areas shall be marked appropriately to warn people not to enter into such areas.
- (7) Aerial spraying shall be conducted only under weather conditions that minimize drift to adjacent areas, and must be in compliance with local, national and regional laws.
- (8) Residents within 1 km shall be informed at least one day in advance before aerial spraying is done.
- (9) Aerial spraying shall not be carried out with pesticides listed in the WHO Classes Ia, Ib and II lists, Rotterdam Convention, Stockholm Convention, and PAN international list of highly hazardous pesticides.
- (10) Operators shall adhere to quarantine periods, avoiding harvest until applied pesticide hazard for consumers is reduced to acceptable levels.
- (11) Pesticides shall be handled, stored, transported, and disposed of according to manufacturers' instructions, legal requirements, or according to procedures documented to be superior.
- (12) Operators shall test agricultural produce on receipt for residues (e.g., pesticides) and harmful contaminants (e.g., mycotoxins), chemical and maintain testing records.

The List of Prohibited or Non-Recommended Agrochemicals for Use of the Fair Trade IBD Program is based on:

- Ministry of Agriculture that presents the List of Active Ingredients Not Authorized in Brazil.
- The Rotterdam Convention on Prior Informed Consent (PIC), substances listed in Annex III;
- At the Stockholm Conference on Persistent Organic Pollutants (POPs);
- Those included in the Dirty Dozen, a list drawn up by the Pesticide Action Network (PAN);
- By the World Health Organization (WHO), especially in those Pesticides listed in Class 1 as "Extremely Hazardous" (Ia) and "Highly Hazardous" (Ib);
- Directives of the European Commission for the Protection of Consumer Health (Directive 79/117 / EEC and 91/414 / EEC, Council Regulation 805/2004, 689/2008).
- United States Environmental Protection Agency (EPA) regulations prescribing pesticides that are canceled or restricted in the United States.

- The Rainforest Alliance List of Prohibited Products (RAS) and the Fair Trade Labeling Association (FLO) were also consulted.

Item 1.1 of this Appendix presents the List of Prohibited Agrochemicals for Use on certified customers in the Fair Trade IBD Program.

In addition, the list of Agrochemicals not recommended for use by the World Health Organization (WHO) as "Extremely or Highly Hazardous", as well as those banned in the European Community and the United States .

By applying to conventional agricultural products and processes, Fair Trade IBD pays particular attention to the toxicity of agrochemicals used in properties and certified processors. The use of agrochemicals must take place under the care of a technical responsible and within the rules and procedures defined at national level, being this criterion critical in this Guideline.

- a) After one year of certification, from the date of the first inspection, all enterprises must replace 100% of the Class I Products with others of lesser toxicity or provide justifications for non-replacement if the technology is not available.
- b) Within two years from the date of the first inspection, the enterprise shall implement an Integrated Pest Management System to improve and reduce the use of agrochemicals.
- c) If the enterprise in certification uses any of the agrochemicals listed in item 3.1 of Appendix V, it must suspend the use. This list was based on the work developed:
  - The Rotterdam Convention on Prior Informed Consent (PIC), substances listed in Annex III;
  - At the Stockholm Conference on Persistent Organic Pollutants (POPs);
  - Those included in the Dirty Dozen, a list drawn up by the Pesticide Action Network (PAN);
- d) In addition, IBD does not recommend the use of the agrochemicals listed in item 3.2 of Appendix III because they have been indicated as "Extremely or Highly dangerous" by the World Health Organization because they are prohibited in Europe and / or the United States.

### **1.1. LIST OF PRODUCTS PROHIBITED FOR USE:**

Methyl Bromide is a gas indicated in the Montreal Protocol as a destroyer of the Ozone Layer.

	ACTIVE INGREDIENT	MINISTÉRIO DA AGRICULTURA MAPA	WORLD HEALTH ORGANIZATION WHO	ROTTERDAM CONVENTION PIC	PERSISTENT ORGANIC POLLUTANTS POPs	DIRTY DOZEN PAN
1.	2,4,5-T (2,4,5-trichlorophenoxyacetic acid) and its salts and esters (1)			X		X
2.	2,4DB	X				
3.	Acido indolil acético	X				
4.	aldicarb		X			X
5.	aldrin	X		X	X	X
6.	aloxidim	X				
7.	anidro naftálico	X				
8.	azynphos ethyl	X	X			
9.	benomil	X				
10.	bensulide	X				
11.	bifenoxi	X				
12.	binapacryl	X		X		
13.	BHC	X				
14.	bromofós etílico	X				



15.	butacloro	X				
16.	butilato	X				
17.	butoxycarboxim	X	X			
18.	captafol	X	X	X		
19.	carbofenotiona	X				
20.	carbofuran		X			
21.	cifenotrina (racêmico)	X				
22.	clorambem	X				
23.	chlordane			X	X	X
24.	chlordimeform			X		X
25.	chlorfenvinphos	X				
26.	chlorobenzilate	X		X		
27.	clorprofan	X				
28.	dalapon	X				
29.	DBCP					X
30.	DDT	X		X	X	X
31.	DEF	X				

32.	demeton-s-methyl	X	X			
33.	dialipós	X				
34.	diclobenil	X				
35.	diclobutrazol	X				
36.	dicrotophos	X	X			
37.	dieldrin			X	X	X
38.	difenacoum	X	X			
39.	dinoseb and dinoseb salts	X		X		
40.	ethylene dibromide (EDB, 1,2-Dibromoethane)			X		X
41.	endrin	X			X	X
42.	EPTC	X				
43.	etidimuron	X				
44.	ethiofencarb	X	X	X		
45.	ethylene dichloride			X		
46.	ethylene oxide			X		
47.	etrinfos	X				
48.	fenmedifan	X				

49.	fenogrego	X				
50.	fensulfotiona	X				
51.	flucythrinate	X	X			
52.	fluoroacetamide		X	X		
53.	formotiom	X				
54.	fosfamidona	X				
55.	fyomone	X				
56.	guazatina	X				
57.	haloxifope-metílico	X				
58.	HCH, mixed isomers			X		X
59.	heptachlor	X		X		X
60.	hexachlorobenzene		X	X		X
61.	IBP	X				
62.	isazofós	X				
63.	isoprocabe	X				
64.	isourom	X				
65.	isoxathion	X	X			

66.	lindane	X		X		X
67.	manebe	X				
68.	mercury compounds (including mercuric oxide, mercurous chloride (calomel), phenylmercury acetate (PMA), phenylmercuric oleate (PMO) other inorganic mercury compounds: alkyl mercury, alkoxyalkyl and aryl mercury compounds)		X	X		
69.	merfos	X				
70.	metalaxil	X				
71.	methyl bromide (1)	---	---	---	---	---
72.	metil eugenol	X				
73.	metoxicloro	X				
74.	mirex				X	
75.	monocrotophos	X	X	X		
76.	naptalam	X				
77.	nitralin	X				
78.	norflurazona	X				
79.	ometoato	X				

80.	oxamyl	X	X			
81.	oxadixil	X				
82.	paraquat			X		X
83.	parathion	X	X	X		X
84.	pebulato	X				
85.	pentachlorophenol and its salts and esters	X	X	X		X
86.	piracarbolidia	X				
87.	piridato	X				
88.	pirifenoxi	X				
89.	prime	X				
90.	prometon	X				
91.	quinalfos	X				
92.	sulprofós	X				
93.	TCA	X				
94.	terbacila	X				
95.	tiamina	X				
96.	tiocarbazil	X				

97.	tolclofós-metílico	X				
98.	triciclo-hexil-estanho	X				
99.	toxaphene (camphechlor)			X	X	X
100.	tributyltin (TBT)			X		
101.	vamidotion	X	X			
102.	vernolato	X				
103.	zineb	X				
104.	ziram	X				

**1.2. LISTA DE PRODUTOS NÃO RECOMENDADOS PARA USO:**

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
1	1,2,3 chloropropanediol			X
2	1,2 dibromoethane (ethylene dibromide)	X	X	
3	1,2 dichloroethane (ethylene dichloride)	X	X	
4	1,3 dichloropropene	X		
5	2, aminobutane (sec – butylamine)	X		
6	2, 3, 4, 5 – bis (2-butylene) tetrahydro-2-furaldehyde (repellent-11)		X	
7	2, 4, 5 –T (2, 4, 5 trichlorophenoxyacetic acid and its salts and esters (dioxin contamination)	X	X	
8	2, 4, 5 TCP (potassium 2, 4, 5 trichlorophenate)		X	
9	acephate	X		
10	acifluorfen	X		
11	acrolein			X
12	alachlor	X		
13	aldicarb	X		X
14	aldrin	X		
15	allyl alcohol			X
16	amitraz	X		
17	arsenic compounds (EPA: arsenic trioxide, calcium, copper, lead and sodium arsenate, sodium arsenite)	X	X	

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
18	atrazine	X		
19	azinphos-ethyl	X		X
20	azinphos - methyl	X		X
21	benzultap	X		
22	binapacryl	X	X	
23	blasticidin S			X
24	brodifacoum			X
25	bromadiolone			X
26	bromethalin			X
27	bromoxynil		X	
28	butocarboxim			X
29	butoxycarboxim			X
30	butylate		X	
31	cadmium and its compounds		X	
32	cadusafos	X		X
33	calcium arsenate			X
34	calcium cyanide			X
35	calsiferol	X		
36	captapol	X	X (granular only)	X
37	carbaril	X		
38	carbofuran	X		X
39	carbosulfan	X		
40	cartap	X		
41	carbon tetrachloride		X	
42	chinomethionat	X		
43	choranil		X	
44	chlordane	X		
45	chlordecone (kepone)	X	X	
46	chordimeform	X		



	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
47	chlorethoxyphos			
48	chlorfenapyr	X (não banido, restrição severa)		
49	chlorfenvinphos	X		
50	chlormephos	X		X
51	chlorobenzilate	X		
52	chlorophacinone			X
53	chloromethoxypropyl-mercuric-acetate (CPMA)		X	
54	chlozolate	X		
55	cholecalciferol	X		
56	coumafuryl	X		X
57	coumatetralyl			
58	crimidine	X		
59	cyanazine	X		
60	cyhalothrine (but not lambda isomers of cyhalothrin)	X		
61	daminozide (alar)		X	
62	DDT	X		
63	demeton-s-methyl			X
64	diazinon	X		
65	dichlorvos	X		X
66	dicofol containing less than 78% p,p	X		
67	dicofol or >1 g/kg of DDT and DDT related compounds.	X		
68	dicrotophos			X
69	dieldrin	X		
70	difenacoum			X
71	difethialone			X

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
72	dimethenamid	X		
73	dinobuton	X		
74	dinoseb, its acetate and salts	X		
75	DNOC	X		X
76	dinoterb	X		X
77	diphacinone			X
78	disulfoton			X
79	diuron	X		
80	di (phenylmercury) dodecenylsuccinate (PMDS)		X	
81	dustable powder formulations containing a combination of: benomyl at or above 7%, carbofuran at or above 10%, thiram at or above 5% (PIC: 15%)	X		
82	edifenphos			X
83	endosulfan	X		
84	endrin	X		
85	EPN			X
86	ethiofencarb			X
87	ethion	X		
88	ethoprophos			X
89	ethylene dichoride	X		
90	ethylene dibromide (1,2 dibromoethane)	X		
91	ethylene oxide	X		
92	EPN		X	X
93	ethyl hexyleneglycol		X	

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
94	famphur			X
95	fenamiphos			X
96	fenitrothion	X		
97	fenpropathrin	X		
98	fenthion	X (não banido, restrição severa).		
99	fentin acetate	X(não banido, restrição severa).		
100	fentin hydroxide	X		
101	fenvalerate	X		
102	ferbam	X		
103	flocoumafen			X
104	flucythrinate			X
105	fluoroacetamide	X		X
106	flurenol	X		
107	formetanate			X
108	furathiocarb	X		X
109	Haloxypop-R	X		
110	HCH contendo menos de 99% de isômero gama	X		
111	heptachlor	X		
112	heptenophos			X
113	hexachlorobenzene	X		X
114	hexazinone	X		
115	iminocadine	X		
116	isoxathion	X		X
117	lindane (gama-HCH)	X		
118	lead arsenate			X
119	leptophos		X	

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
120	malathion	X		
121	maleic hydrazide and its salts, other than choline, potassium and sodium salts; choline, potassium and sodium salts; maleic hydrazide containing more than 1 mg/kg of free hydrazine expressed on the basis of the acid equivalent	X		
122	mercarbam			X
123	mercury components including mercury oxide, mercurous chloride (calomel): other inorganic compounds: alkyl mercury compounds: and alkoxyalkyl and aryl mercury compounds.	X		X
124	methamidophos	X	X (600 g/l (SL) formulation and higher)	X
125	methomyl			X
126	methydatation	X		X
127	methyocarb			X
128	metoxuron	X		
129	methyl parathion	X	X	
130	mevinphos		X	X
131	mirex	X		
132	monocrotophos	X		X
133	monolinuron	X		
134	monuron	X		
135	nicotine			X

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
136	nitrofen	X	X	
137	nonylpherol ethoxylate	X		
138	omethoate	X		
139	OMPA (octamethylpyrophosphoramide)		X	
140	oxamyl			X
141	Oxydemeton-methyl	X		X
142	parathion	X		X
143	parathion-methyl	X		X
144	Paris green			X
145	pebulate	X		
146	pentachlorofenol and its compounds	X		X
147	permethrin	X		
148	phenilmercury acetate			X
149	phorate			X
150	phropaphos			X
151	phropetamphos			
152	phosalone	X		
153	phosphamidon	X	X 1000 g/l (SL) formulation and higher)	X
154	pirimiphos ethyl			
155	propham	X		
156	pyrazophos	X		
157	pyriminil (vacor)		X	
158	quintozene	X		
159	safrole		X	
160	scilliroside	X		
161	silvex		X	
162	simazine	X		

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
163	sodium arsenite			X
164	sodium cyanide			X
165	sodium fluoroacetate			X
166	strychnine	X		X
167	sulfotep			
168	tebupirimpos			
169	TDE		X	
170	technazene	X		
171	tefluthrin			
172	terbufos	X		X
173	terpene polychlorinates (strobane)		X	
174	thallium sulphate	X	X	X
180	thiocyclam	X		
181	thiodicarb	X		
182	thiofanox			X
183	thiometon			X
184	toxaphene (camphechlor)	X		
185	triazophos	X		X
186	trichlorfon	X		
187	tridemorph	X		
188	triorganostannic compounds (tributyltin compounds)	X	X	
189	vamidothion	X		X
190	vinclozolin	X		
191	vinyl chloride		X	
192	zineb	X		
193	warfarin			X
194	zetacypermethrin			X
195	zinc phosphide			X

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CERTIFICATIONS

	ACTIVE INGREDIENT	EUROPEAN UNION	UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EPA	WHOLD HEALTH ORGANIZATION WHO
196	dustable powder formulation containing a combination of: benomyl at or above 7%; carbofuran at or above 10%; thiram at or above 5%.	X		

**APPENDIX V - BIBLIOGRAPHICS REFERENCES**

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