Fairtrade International Oversight Procedure

Version 2.2

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FAIRTRADE
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Introduction

Fairtrade considers assurance and licensing as a key element for the implementation of our Theory of Change. The provision of assurance and licensing is therefore not seen as a purely technical matter but as a function owned by stakeholders, as with any other aspect of Fairtrade work. Fairtrade also understands assurance and licensing as tools for learning, providing valuable input for the development of appropriate standards, its verification and the support needed to implement them. This requires direct involvement of Fairtrade members into the design and oversight of these mechanisms whilst preserving their independence.

Following this intention, Fairtrade operates a closed assurance and licensing scheme, with a limited number of assurance providers and licensing bodies, all being either members or subsidiaries of Fairtrade International, ensuring an alignment of their mission. This model is the result of a strategic decision which believes that for Fairtrade a closed and mission-aligned scheme responds better to Fairtrade objectives, reduces risks and is more accessible for users.

The higher governance bodies of Fairtrade International have the authority to modify this strategy and open up assurance and/or licensing to other bodies, in which case Fairtrade may define new criteria for acceptance in the scheme beyond compliance with the Requirements for Assurance Providers (RAPs) and Requirements for Licensing Bodies (RLBs).

The RAPs and the RLBs respond to the objective to further strengthen the credibility and the harmonisation of all assurance and licensing activities in the Fairtrade system, as well as to comply with the ISEAL Assurance Code.

Scope of application

This document sets out all requirements for the operation of the Fairtrade International oversight system in the context of assurance and licensing.

An organisation may be at the same time an Assurance Provider and a Licensing Body. For the purpose of this document however those activities will be considered separately and independent from each other. Even if oversight activities may be coordinated for efficiency, decisions on compliance as a Licensing Body and as Assurance Provider will be different decisions.

Normative documents

The following documents contain provisions, which, through reference in this text, become part of this procedure.

    a)   [The Fairtrade International Requirements for Assurance Providers (RAPs)](#)

    b)   [The Fairtrade International Requirements for Licensing Bodies (RLBs)](#)

    c)   ISO 19011 Guidelines for auditing management systems

    d)   [The Oversight Committee Terms of Reference](#) (OC ToR)

Responsibility for this procedure

Fairtrade International's Oversight Committee (OC) has responsibility for this document and will periodically review it according to the OC ToR and Annex A of this document.

Change history

Version number	Date of publication	Changes
1.0	June 2015	First version approved by Fairtrade International Oversight Committee
1.1	May 2016	Added clause: 2.5 Initial declaration of conformity of existing LBs and APs
1.2	November 2016	Amendments to the chapter on the initial assessment and declaration of existing Aps and LBs
1.4	January 2018	Amendments in the list of assurance providers
2.0	June 2019	Full review of the document to align with the ISEAL Assurance Code 2.0. New revised structure, chapters added on types of assessments and continuous improvement. Annexes added on the RAP and RLB review process, reporting requirements and peer review process.
2.1	December 2021	Amendments to the chapter on complaints 6.2, and reporting requirements updated following the RLBs 2.0.
2.2	June 2023	Amendment to the chapter 7 on Continuous Improvement adding requirement 7.4 on Oversight Personnel training

Terms and definitions

Allegation: is an accusation, made by a third party against a Fairtrade organisation, claiming that this organisation violated the Fairtrade standards, Fairtrade policies and procedures, or other contractual obligations with Fairtrade International, or is damaging Fairtrade International's reputation or is misusing the FAIRTRADE Certification Mark and is in breach of its certification or license agreement. Such an allegation can be filed by any party, including but not limited to, a Fairtrade organisation, a non-governmental organisation (NGO), a labour union, a worker or a member of the public.

Assessment: is the process by which it is determined whether Assurance Provider or Licensing Body meets the Requirement for Assurance Providers and Requirements for Licensing Bodies.

Assessor: is a competent person reviewing the evaluation report produced by the evaluator and making a recommendation to the Oversight Committee about the compliance of the Assurance Provider or Licensing Body against the RAP or the RLB.

Assurance Provider (AP): is any organisation, or part of it, that has been authorised by Fairtrade International to perform *assurance* against Fairtrade Standards. Their activities are regulated by Fairtrade's Requirements for Assurance Providers in compliance with ISEAL Assurance Code (see the [Requirements for Assurance Providers](#) for a more detailed definition).

Assurance Risk Management Plan: is a plan of the most significant risks to the scheme, their assessment and available remedies.

Complaint: is a dissatisfaction made by an external party regarding the services performed or conduct by a staff person or consultant of Fairtrade International, a Fairtrade Licensing Body, Fairtrade Assurance Provider or a Fairtrade Marketing Organisation, claiming that this person or Fairtrade organisation has violated Fairtrade operational policies, procedures or regulations, has been discourteous, or has damaged Fairtrade's reputation.

Declaration: is the decision whether an Assurance Provider or Licensing Body meets the RAPs or RLBs.

Evaluation: is the collection and analysis of information by the Evaluator for the purpose of producing an Evaluation Report**.**

Evaluator: is a competent person evaluating the Assurance Provider or Licensing Body against the requirements set out by Fairtrade International based on a self-evaluation by the body and / or and on-site audit**.**

Exception: is a decision to temporarily exempt a certified operator from compliance with a particular requirement in the standards.

Licensing Body (LB): is an organisation or part of an organisation that has been authorised by Fairtrade International to perform specific *licensing activities*. These organisations can be National Fairtrade Organisations, or Fairtrade International itself.

Oversight Committee: is a multi-stakeholder subcommittee of Fairtrade International's Standards Committee responsible for the implementation of this procedure and for the regular evaluation of the effectiveness and adequacy of Fairtrade's assurance and licensing (see the OC ToR for more information).

Oversight: is bodies, functions and processes put in place by Fairtrade International to ensure the effectiveness of both assurance and licensing activities.

Recommendation: is produced after the review of the Evaluation Report by the Assessor and is provided to the Oversight Committee in order to grant a Declaration of Conformity.

Reconsideration: is a request by an Assurance Provider or Licensing Body to the Oversight Committee for reconsideration of their approval decision.

Variation: is a decision to temporarily exempt an Assurance Provider or Licensing Body from compliance with the Requirements for Assurance Providers or Requirements for Licensing Bodies.

See the ISEAL Assurance Code for other definitions.

1 General requirements

1.1 Resources

1.1.1 Fairtrade International shall create the position of Assurance Manager with the responsibility to ensure Fairtrade International's conformity with these procedures, and provide this position with the required financial and human resources to perform this function.

1.1.2 Assurance Providers and Licensing Bodies shall dedicate the required financial and human resources to implement the procedures that are relevant to them at their respective organisations.

2 Assessment

2.1 Purpose

Assessment is a process which determines whether an Assurance Provider or Licensing Body is qualified to perform certification or licensing functions.

2.2 Assessment Process

2.2.1 Assessments shall be carried out following guidance provided in ISO 19011 and the process consists of the following:

2.2.2 Evaluation process by an Evaluator that includes:

2.2.2.1 Self-evaluation, see section 2.3

2.2.2.2 On-site assessment, see section 2.4., 2.5

Note: On-site evaluations are included in every assessment process except the initial assessment of an existing Assurance Provider or Licensing Bodies, see section 3.2.

2.2.2.3 Surveillance Checks, see section 3.4, 3.6

2.2.2.4 Peer Learning, see section 3.5

Note: Peer Learning is an assessment type available only for the Licensing Bodies.

2.2.3 Review, Follow Up and Recommendation by an Assessor, see section 2.5

2.2.4 Declaration by the Oversight Committee, see section 2.7

2.3 Self-Evaluation

2.3.1 Self-Evaluation is performed in the following circumstances:

2.3.1.1 Existing Assurance Providers and Licensing Bodies on their initial assessment, see section 3.2,

2.3.1.2 New Assurance Providers and Licensing Bodies coming into the system,

2.3.1.3 All Licensing Bodies if there is a Full Review of the RLB; and

2.3.1.4 All Assurance Providers if there is a Full Review of the RAP.

Note: If none of the above cases apply the assessment process starts with an on-site audit

2.3.2 The Self-Evaluation shall include:

2.3.2.1 A completed self-evaluation checklist against the requirements for the APs or LBs.

Note: Where there has been a Full Review of the RAP and the RLB, the self-evaluation checklist shall be updated to reflect the new requirements

2.3.2.2 Copies of all documents required by the self-evaluation checklist.

2.3.3 The Assurance Manager will assist the AP or LB in filling out the self-evaluation and shall check it for completeness within 3 months from the time of submission of the self-evaluation.

2.3.4 If the self-evaluation is incomplete, the Assurance Manager advises the assessee of this fact, and will not process the self-evaluation until all missing information has been provided.

2.3.5 The Assurance Manager or appointed person acts as an evaluator, checks the completed self-assessment and ensures that documents indicate that the assessee will be capable of demonstrating conformity during an on-site assessment.

2.3.6 The Evaluator provides a preliminary written report to the assessee indicating areas of possible non-conformity based on the self-evaluation and including issues to be further explored during the on-site assessment.

2.3.7 The Evaluator shares this preliminary report with the Assurance Manager, providing a translated version if the original report is not in English.

2.3.8 The assessee may choose to correct any areas of non-conformity prior to the on-site assessment.

2.4 On-site Evaluation

2.4.1 The on-site Evaluator may be the Evaluator who reviewed the self-evaluation.

2.4.2 An on-site evaluation shall include:

2.4.2.1 A minimum of one person per day examining documents and records in the assessee's office for evidence of conformity.

2.4.2.2 For Assurance Providers the on-site assessment must include witnessing audits.

2.4.2.3 A closing meeting at which preliminary findings are presented.

2.5   Evaluation Report

2.5.1   The Evaluator completes an evaluation report using the report template provided by Fairtrade International and shares it with the assessee and the Assurance Manager if necessary, providing a translated version if the original report is not in English.

2.5.2   The report shall include the evaluation of all requirements in the RAP or RLB as applicable.

2.5.3   The report must clearly identify any requirement that is not complied with, the description of the non-conformity and objective evidence.

2.5.4   The report grades non-conformities as minor, major or critical. Observations can also be recorded.

2.6   Review, Follow Up and Recommendation

2.6.1   The Assurance Manager may act as assessor or appoint another person to review the evaluation report.

2.6.2   The assessor shall be competent person who has not been involved in the evaluation process and is free of any conflicts of interest (on personnel competences see section 4).

2.6.3   The assessor verifies that:

2.6.3.1   The evaluation report is clear and complete.

2.6.3.2   Findings of conformity and non-conformity are supported by objective evidence and the requirements in the RAP or RLB have been interpreted correctly.

2.6.4   If the above is not the case, the assessor asks the evaluator for amendments to the report.

2.6.5   The assessor presents the results of the review of the evaluation report, including a final list of non-conformities (if any), to the assessee, for follow up.

2.6.6   Upon receipt of the reviewed list of non-conformities, the assessee may request a variation from the RAP or RLB (see section 5.3 and Annex C).

2.6.7   Assessee proposes corrective action plan for all non-conformities to the assessor for approval.

2.6.8   Unless variations are accepted, non-conformities must be closed within timeframes agreed by the Assurance Manager and the assessee, such timeframes shall not exceed 12 months otherwise a recommendation of non-conformity will be made to the OC.

2.6.9   Non-conformities are closed by presenting the evidence of effective implementation of the agreed corrective actions to the Assurance Manager.

2.6.10 The assessor prepares a recommendation, which can include a proposal on shortening the assessment cycle if deemed necessary, which needs to be approved by the OC prior to taking effect.

2.7 Declaration of Conformity

2.7.1 The Assurance Manager presents a substantiated recommendation paper to the OC for decision.

2.7.2 The OC reviews the paper and makes comments either supporting or disagreeing with the recommendation presented by the Assurance Manager.

2.7.3 If the OC recommends that conformity is declared, the Assurance Manager makes the recommendation to the Board to approve the assessee

2.7.4 If the OC recommends that conformity is not declared:

  2.7.4.1 The Assurance Manager advises the assessee that their conformity has been declined.

  2.7.4.2 The assessee will be asked to take corrective actions / corrections and to either provide evidence as requested or to undergo further assessment specified by the Assurance Manager.

  2.7.4.3 Once the assessee advises that conditions have been met and this has been verified by the assessor, the process (2.7.1-2.7.4) is repeated.

  2.7.4.4 If a new applicant cannot meet the conditions, the Assurance Manager will discontinue the application and the assessee will not be allowed to start performing corresponding assurance or licensing activities.

  2.7.4.5 If a renewal assessment is declined, assurance provider or licensing body has to discontinue performing assurance and licensing activities, and the Board of Fairtrade International will define a specific suitable transition process for the affected certified or licensed clients, to ensure a smooth transfer so their certified or licensed status is not affected.

  2.7.4.6 Declined assessees may re-apply.

2.7.5 Assessees can apply for a reconsideration against a decision within 30 calendar days after the communication of the decision. The reconsideration shall be managed by the Fairtrade International Global Director of Ethics and Compliance who will review the request and present a proposal to the Board for decision.

2.7.6 The registry of approved bodies shall be updated after every decision.

3 Assessment Cycle and Assessment Plan

3.1 Assessment Plan

3.1.1 The Assurance Manager shall maintain an assessment plan, with the following information:

3.1.1.1 Which body is due for assessment activity and when;

3.1.1.2 The assessment scope, all requirements or specific topics as agreed with the OC.

3.1.2 Once an assessment has been completed, planned activities in the assessment plan shall be updated to take account of requirements for closing non-conformities, and changes in conditions and/or frequency.

3.2 Initial assessment and renewal assessment for existing APs and LBs

Assurance Providers and Licensing Bodies members of Fairtrade International in July 2015 are provisionally recognized as Assurance Providers and Licensing Bodies pending their assessment under this process.

3.2.1 The initial assessment of existing LBs and APs is based on a self-evaluation.

3.2.2 On site evaluations can be skipped in the initial assessment process of an existing AP and LB before the initial declaration. However, the first renewal assessment shall occur within 12 months of the initial declaration of conformity, to ensure that an on-site evaluation is done soon after the initial declaration.

3.3 Regular Assessment Cycle

3.3.1 **LBs** shall receive a renewal assessment every four years.

3.3.2 **APs** shall receive a renewal assessment every three years.

3.4 Surveillance Checks for Licensing Bodies

3.4.1 **Licensing Bodies** shall have a surveillance assessment once during their four-year assessment cycle.

3.4.2 The surveillance check shall review a sample of:

3.4.2.1 10% of product approvals in last 12 months, minimum 5, maximum 25

3.4.2.2 10% of packaging approvals in last 12 months, minimum 5, maximum 25

3.4.2.3 10% of promotional material approvals in last 12 months, minimum 2, maximum 10.

3.4.3 The review shall be for correctness: identifying any substantive errors, that is errors affecting the outcome of the decision.

3.4.4 If the error rate exceeds 10% of the number sampled, the licensing body shall be required to provide the Assurance Manager with details of a root cause

analysis of the reasons for the errors, and propose corrective and preventive actions.

3.4.5 The surveillance check shall review all standard operating procedure of the LB relevant to licensing, noting any cases where actual practice does not match the SOP.

3.4.6 The surveillance Check shall review two work instructions of the LB noting any cases where actual practice does not match the work instruction. If the difference is substantial rather than just technical, the assessor shall repeat the process, until a work instruction with no substantial differences to practice is found.

3.5   Peer Learning for Licensing Bodies

The peer learning process serves the dual purpose of checking compliance and of creating an opportunity for the licensing bodies to share and learn from each other.

3.5.1 The Surveillance check can be replaced by a peer learning check if indicated by the OC

3.5.2 Licensing Bodies and Fairtrade International have the following key roles in the process:

3.5.2.1 Peer Reviewee is the body that is being assessed

3.5.2.2 Peer Reviewer is the body who is conducting the assessment

3.5.2.3 The Assurance Manager is to support the reviewee and the reviewer in the process

3.5.3 Based on guidance from the OC, the Assurance Manager determines the timeline and proposes a Peer Reviewer Licensing Body to the Reviewee Licensing Body.

3.5.4 The Reviewer and the Reviewee have the right to object to the proposed Licensing Body if there is a conflict of interest. The OC determines if any objection is valid and will assign a new Reviewer where required.

3.5.5 If no conflicts of interest are declared by the OC, the Assurance Manager will ask both Reviewer and Reviewee to sign a confidentiality agreement with Fairtrade International.

3.5.6 Peer learning process is the following:

3.5.6.1 Reviewee submits a completed self-evaluation checklist, with supporting evidence to Fairtrade International and responds to any clarifying questions from Fairtrade International or the Peer Reviewer.

3.5.6.2 The Assurance Manager sends the completed self-evaluation checklist to the Reviewer with any additional document provided by the Reviewee.

3.5.6.3 Reviewer checks the completed self-evaluation, Reviewee's procedures and supporting documentation and identifies progress made in the reviewed Licensing Body's practices, complying with the requirements.

3.5.6.4 Reviewer prepares a 'Summary Report' that describes the organisation's progress towards compliance with the requirements or any challenges the Reviewee has in demonstrating compliance and sends it to Fairtrade International.

3.5.6.5 The Assurance Manager presents the findings of the Peer Learning Summary Report to the OC and may recommend an earlier on-site assessment if necessary, which needs to be approved by the OC prior to taking effect.

3.5.7 The Peer Learning process may have an on-site component if requested by the Reviewer and agreed to by the Reviewee, to enhance learning.

3.6 Surveillance Checks Assurance Providers

3.6.1 **Assurance Providers** shall have a surveillance check every two years, except in the year where an on-site assessment is performed.

3.6.2 The surveillance check shall review a sample of:

3.6.2.1 10% of certification decisions made since the last surveillance check or on site audit, minimum 5, maximum 25

3.6.2.2 10% of permission to trade letters sent since the last surveillance check or on site audit, minimum 2, maximum 10

3.6.3 Should there be errors on the relevant sampling the Assurance Provider shall be required to provide the Assurance Manager with details of a root cause analysis of the reasons for the errors detected, and proposed corrective actions.

3.6.4 The surveillance check shall review all standard operating procedure of the AP relevant to certification, noting any cases where actual practice does not match the SOP.

3.6.5 The surveillance check shall review two work instructions of the Assurance Provider noting any cases where actual practice does not match the work instructions. If a difference is substantial the assessor shall repeat the process until a work instruction with no substantial differences to practice is found.

3.7 Surveillance Checks and Assessment Cycle

3.7.1 After a Surveillance Check the Assurance Manager may recommend shortening the assessment cycle, if necessary, which needs to be approved by the OC prior to taking effect.

4 Appointment of Evaluators and Assessors

4.1 Evaluator and Assessor approval

4.1.1 Fairtrade International assessors shall meet the qualification and competency criteria as set out in Table 1.

Table 1: Assessor qualification and competency criteria

Area	Criteria
Language	Shall be able to fluently speak and write English. Shall be able to hold an interview in the language of the assessment.
Work experience	At least two years working for a certification body or an accreditation body or equivalent experience.
Auditing or assessment experience	For AP assessors and evaluators, minimum of two years auditing or 50 audit days or equivalent experience. For LB assessors and evaluators minimum of two years licensing or equivalent experience.
Fairtrade system training	Have undertaken training on auditing of relevant Fairtrade standards and licensing requirements provided by Fairtrade International.
Conflict of interest	Absence of conflict of interest to perform the task.
Communication	Able to express ideas and concepts clearly. Able to interview individuals from workers to senior management in a way that encourages their confidence and enables them to answer questions. Able to express findings in written reports clearly and concisely.
Time management	Capable of managing time before and during audits so audit plans are realized.
Personal attributes	Able to display the attributes of an auditor as set out in ISO 19011.
Knowledge of Fairtrade International system	Knowledge of and competence in the application of Fairtrade International Requirements for Assurance Providers and Licensing bodies.

5 Management of Fairtrade International requirements

5.1 Review of the Requirements

5.1.1 Fairtrade International Requirements for Assurance Providers and Licensing Bodies shall be reviewed every five years, or sooner as agreed by the OC. A full or partial review can be conducted as outlined in Annex A of this document in 'Oversight System Review Process'.

5.1.2 The review process is led by the Assurance Manager and includes a consultation period where input from affected bodies is collected, and a transition period to allow affected bodies to implement new or amended requirements.

5.1.3 The consultation shall include stakeholders within the Fairtrade system and should last for a minimum of 30 days. OC can instruct the AM to extend the consultation to other stakeholders outside of the system if necessary e.g. external experts, other scheme owners or advisors on specific topics.

5.1.4 The transition period for the revised requirements shall be six months from the date of the publication as a minimum.

5.2 Approval of requirements

5.2.1 New versions of the Fairtrade International Requirements for Assurance Providers and Licensing Bodies are submitted to the OC for final approval.

5.3 Variations to requirements

5.3.1 Assurance providers and licensing bodies may ask for variations from the RAPs and RLBs at any time using the template provided in Annex C.

5.3.2 Upon this request the OC may approve variations to the RAPs and RLBs in writing if:

5.3.2.1 The assurance provider or licensing body can demonstrate to OC that the variation meets the requirement's intent in an equivalent way, and

5.3.2.2 Fairtrade International Standards are met.

6 Allegations and complaints

6.1 Allegations to Fairtrade International

6.1.1 Any interested party can submit an allegation against the Assurance Provider or Licensing body, approved by Fairtrade International, which is related to a non-compliance to the RAPs or RLBs.

6.1.2 The allegation shall be presented in writing to the Assurance Manager, sent to assurance@fairtrade.net, accompanied by evidence of the claim.

6.1.3 The Assurance Manager will review the allegation and its evidence within 30 days and decides either to:

6.1.3.1 Accept the allegation, in which case a proposal will be made to the OC to decide on an earlier on-site assessment to the affected assurance provider or licensing body. The on-site assessment may have a targeted scope as directed by the OC. The alleger will be informed of the steps taken.

6.1.3.2 Dismiss the allegation as outside scope or not substantiated, which will be reported to the OC and the alleger will be informed about the decision.

6.2 Complaints (second instance) to Fairtrade International

6.2.1 Any interested party can submit a complaint against an Assurance Provider or Licensing Body approved by Fairtrade International, related to how certification or licensing has been conducted and is within the scope of the RAPs or RLBs.

6.2.2 The complaint has to be presented in writing to the Assurance Manager, and sent to assurance@fairtrade.net, accompanied by arguments of the complaint.

6.2.3 The Assurance Manager will review the complaint and within 30 days decide:

6.2.3.1 If the complaint corresponds to an Assurance Provider's or Licensing Body's appeals, complaint or allegation management process, the complainant will be transferred to the relevant Assurance Provider or Licensing Body that will handle it according to their respective procedures. If the complaint falls under the terms of reference of the Fairtrade International second instance complaints concept, it will be handled according to the procedure described in 6.2.4.

6.2.4 Second instance complaints and other complaints against assurance or licensing procedures or decisions, are managed as follows:

a) Complaints against the Fairtrade assurance procedures and compliance decisions are managed and decided on by the Oversight Committee with assistance of the Assurance manager.

b) Complaints with claims going beyond certification or the Fairtrade Standard requirements are transferred to and processed by the Fairtrade International Global Director for Ethics and Compliance.

6.2.4.2 The complainant receives a written confirmation of the receipt of the complaint within 30 days after submitting the complaint to Fairtrade International.

6.2.4.3 The Assurance Manager informs the chair of the Oversight Committee about the complaint, it's content and the next steps. The chair can request additional information from the complainant, the assurance provider or licensing body.

6.2.4.4 The Assurance Manager presents to the Oversight Committee the full complaint information, with a summary paper and suggested recommendation as agreed with the chair of the oversight Committee.

6.2.4.5 The Oversight Committee evaluates the case to assess whether the Assurance Provider or the Licensing Body's followed applicable procedures and the resolution of the allegation, complaint or appeal was in line with the Fairtrade Requirements for Assurance Providers or the Fairtrade Requirements of Licensing Bodies (as applicable) as well as the applicable Fairtrade standards.

6.2.4.6 Once a decision has been taken by the Oversight Committee, the complainant and –if applicable- the Assurance Provider or the Licensing

Body are informed of the decision in writing. In most cases, the decision may require the Assurance Provider or the Licensing Body to correct/continue/repeat the evaluation process, or improve the robustness of the certification/licensing processes. Fairtrade International or the Oversight Committee cannot overturn a certification or licensing decision.

6.2.4.7 The decision on the complaint is taken as timely as possible and in consideration of the risks at stake, and shall be closed within 6 months from the date of acceptance.

6.2.5 Any interested party can submit a complaint against Fairtrade International Oversight and the work of the Oversight Committee, which will be managed by the Fairtrade International Global Director of Ethics and Compliance who will review the request and present a proposal to the Board for decision.

7   Continuous Improvement

7.1   Monitoring

7.1.1 The OC shall monitor and investigate specific licensing and assurance issues in order to improve the oversight, make the system fit for purpose and sufficiently robust.

7.1.2 The Assurance Manager conducts research and surveys with APs and LBs and Fairtrade International to identify best practices or challenges of APs and LBs in complying with the requirements.

7.1.3 The Assurance Manager presents the findings to the OC and a summary of complaints handled by Fairtrade International, and proposes further actions. The result of these findings or the proposed actions shall be used to further improve the oversight system.

7.1.4 Based on this research, the OC can recommend changes to other functions, e.g. Standards, Monitoring, Evaluation and Learning, if it is deemed necessary.

7.2   Reporting

7.2.1 Assurance Providers and Licensing Bodies provide reports, data and requested information to the Assurance Manager as defined by the RAP and RLB, also set out in Annex B of this document.

7.2.2 Assurance Manager analyses the collected reports and presents the findings with suggested actions to the OC for information or recommendation.

7.2.3 Reports are treated confidentially and are presented anonymously unless otherwise agreed with the AP or LB.

7.3   Learning

7.3.1 The OC shall discuss closed issues and enquiries dealt by the AM and any open topics regarding licensing and assurance for learning purposes.

7.3.2　The topic shall be prepared by the Assurance Manager and shall include the following:

7.3.2.1　Best practices amongst assurance providers or licensing bodies.

7.3.2.2　Processes where alignment is required.

7.3.2.3　Closed cases (certified operators or licensees) that are illustrative in terms of challenges in standard interpretation or assurance and licensing.

7.4　Oversight Personnel training

7.4.1　Fairtrade International ensures that Oversight Personnel are included in a periodic training and calibration programme relevant for their oversight/assurance responsibilities and participate in technical forums for sharing best practices.

It is recommended that Oversight Personnel:

7.4.1.1　Shadow a trader or producer audit once every two years.

7.4.1.2　Participate in trainings, workshops and webinars by the assurance providers as deemed relevant.

7.4.1.3　Attend Standard Committee Meetings and Standard unit meetings.

7.4.1.4　Attend ISEAL trainings on relevant matters.

7.4.1.5　Participate in community of practice.

7.4.1.6　Take professional development training according to needs every two years where possible.

7.5　Risk Management

7.5.1　Fairtrade International Assurance shall maintain a Risk Management Plan that shall be reviewed annually by the OC, including the identification of threats, its prioritization and the measures taken to address the risks.

7.5.2　The Assurance and Licensing Risk Management Plan shall inform the system review but the plan may also be revised as a result of the system review if the findings identify new risks or new remedies to the already registered risks.

7.5.3　The Assurance and Licensing Risk Management Plan shall also inform Fairtrade International's risk assessment and management processes if risks to the system are identified. The risk assessment and management process is defined in the 'Assurance and Licensing Risk Management Plan'.

7.6　Miscellaneous

7.6.1　Any interested party who wish to comment on Fairtrade International oversight, assurance or licensing requirements and procedures is encouraged to do so by sending an email to assurance@fairtrade.net.

7.6.2 Any interested party who wish to comment on standards may participate in Fairtrade International's consultation processes, a description of which can be found on Fairtrade [International's website.](#)

ANNEX A: Oversight System Review Process

A.1 Review projects are started under any of the following circumstances:

A.1.1 Normal Five-year review

Issues to address (as applicable)	OC Action
When Assurance Providers and/or Licensing Bodies' perception of the value and efficiency of the oversight system procedures is affected	The OC instructs FI staff to research via interviews and/or survey to identify these perceptions and suggest improvements to the oversight system documents if necessary
When identifying and preventing recurring issues in assurance or licensing activities are not effective	The OC instructs FI staff to research on the repeated issues if and how the oversight system procedures and requirements have been successful in solving them and propose changes to documents in order to increase effectiveness
To incorporate best practices and innovation	The OC instructs FI staff to research and analyse best practices and innovations in the field and suggest amendments to the oversight system procedures

A.1.2 Additional circumstances for a review

Type of Review	Additional circumstance	Start Process
Full Review	Identified major breakdown in assurance and licensing performance	If major breakdown in assurance or licensing arise that the oversight system procedures failed to identify or prevent, the OC requests proposals of changes to the procedures to ensure that the oversight is robust and effective
Full or partial review, depending on the extent of the breach	Identified breach in compliance with ISEAL Assurance Code	Based on results from self, peer and external evaluation of ISEAL's Assurance Code assessment process, amendments to the oversight scheme documents are requested by the OC in order to bring Fairtrade into compliance

Full Review	Approved changes in the overall scheme structure or assurance and licensing structure	Fairtrade oversight model is based on the fact that all assurance providers and licensing bodies belong to Fairtrade and share values and mission, which is assumed to be, per se, a way to reduce risks and the need for oversight. If this structure changes the oversight system procedures need to be revised to reflect the new realities.
Full or Partial review, depending on the extent of the model	Approved changes in the assurance or licensing models	Fairtrade oversight model is based on specific models for assurance (independent 3rd party product certification) and licensing activities (verification of Fairtrade products and sourcing). If the model is changed significantly the oversight system procedures need to be revised taking the new scenario and its risks into consideration.
Full Review	Planned or occurred changes significantly affecting assurance or licensing	If there are other changes in Fairtrade that, directly or indirectly, significantly affect assurance or licensing activities the oversight system procedures need to be revised taking the new scenario and its risks into consideration
Full or Partial review depending on the extent of the risk	Identified new risks	If there are newly identified risks as part of the Risk Management Plan review process that suggest a review of the oversight system procedures
Partial review	Approved new or revised Fairtrade Standards	Based on the research and consultation phases of new and revised standards, it may be necessary to amend oversight system procedures to include the specific assurance and licensing activity elements of these standards

A.2 The System Review takes the following information into account, as available:
      A.2.1 Any specific information relevant to trigger a review
      A.2.2 Results from oversight of exceptions
      A.2.3 Results from impartiality reports from assurance providers
      A.2.4 Results from management system reviews from assurance providers
      A.2.5 Results from regular onsite and surveillance checks of assurance providers
      and licensing bodies, including the review of audit reports and licensing decisions

A.2.6 Findings of allegations and complaints managed by the AM

A.2.7 Results of the Risk Management Plan review process

A.2.8 Minutes from OC meetings, monitoring and investigating specific assurance and licensing issues of relevance for the Fairtrade System

A.2.9 Interviews of Assurance Providers and Licensing Bodies regarding the effectiveness of the model

A.2.10 Research on regular assurance and licensing issues that have not been adequately addressed

A.2.11 Research on innovations and best practices

A.2.12 Monitoring log of Assurance Manager

A.2.1.3 Results of changed or newly introduced standard requirements on certification

A.3 The conclusions of the System Review shall be reflected in a report that clearly identifies findings and suggested solutions. Solutions need to be approved by the OC and will typically imply a full review of the oversight system procedures, however may also generate other different corrective actions.

ANNEX B: Reporting Requirements for APs and LBs

B.1 reporting requirements for Assurance Providers as specified by the RAPs

RAPs v2.0 Clause#	Reports required by the RAPs 2.0
2.4.1	AP's KPI report
2.4.4.1	Risk Categorisation system and analysis
2.4.4.1	Report on Schemes for small traders
2.4.4.2	Unannounced Audits
2.4.5	Impartiality report
2.13.6.1	Report on exceptions to the standard as permitted in the respective standard
2.13.6.2	Report on variations to the audit and certification procedures
2.14.2	Current list of travel risk areas and risk assessment
2.15.7	Complaints and allegations report
4.2.4	Training plan and program for auditors and assurance personnel

B.2 reporting requirements for Licensing Bodies as specified by the RLBs

RLBs v2.0 Clause#	Reports required by the RLBs 2.0
2.2.2.1	KPIs reporting (licensing)
2.2.2.2	Exceptions (Food Composite Product)
2.2.2.3	Exceptions (Artwork)
2.2.2.4	Allegations, Complaints, Reconsiderations report
2.2.2.6	Annual Sales Figures (ASF)
2.2.1	Rejected Applications

ANNEX C: Variation Request Form

Fairtrade International Variation Request	
Date of variation request	*mm/dd/yyyy*
Submitted by assurance provider or licensing body	*assurance provider name*
Individual submitting request	*The name, telephone number and email address of the person submitting the request*
Number and text of indicator or requirement to be varied	*The indicator or requirement, and the full text of the indicator or requirement.*
What is the variation requested?	*A description of the variation required*
Why is the variation needed?	*What is the justification for this variation? How will the intent of the clause be met? Will the Fairtrade standards still be met?*
Other comments	*Any other comments thought to be of value to the Fairtrade International – for example support of the leadership team*

Fairtrade International Response	
Date	
Authority for response	
Variation approved	Yes No
Rationale for decision	