



# Fairtrade Standard for Cocoa

## Main Changes

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### Fairtrade Standard for Cocoa

The revised Fairtrade Standard for Cocoa is the result of a review undertaken in 2020-2022.

The revised Fairtrade Standard for Cocoa was approved by the Standards Committee in March and September 2022.

This document identifies the key changes made to the standard and includes a table describing in more detail the extent of the changes made, following the structure of the new standard.

This document does not describe the content of the changes in full detail. This document shall not replace a detailed study of the new standard and it is not part of the standard.

#### Key changes:

- Chapter 1: unchanged.
- Chapter 2: Changed content, sequence, and numbering. Now includes first mile traceability and new requirements on mass balance.
- Chapter 3: New content added, few requirements moved to another section within the chapter. Added sections on Human Rights and Environmental Due Diligence; Labour Conditions, Child Protection and Social Development; Deforestation Prevention & Environmental Development; and Living Income.
- Chapter 4: Added 4 requirements on payments and administration of payments specifically for Côte d'Ivoire and Ghana. Added 1 requirement for payers and conveyors on transparent processes for Fairtrade Volume Allocation.

## Overview of the 2022 revised Fairtrade Standard for Cocoa:

This table shows the most important changes.

New standard section	New Standard 2022	Comments
2. Trade	Intent: To provide maximum benefits to producers, while remaining credible to consumers.	
2.1 Traceability & Transparency	Recording Member and Organization Production (SPOs, core, year 1) <i>Takes effect in July 2023</i>	In order to assist SPOs in managing their membership and providing assurance to commercial partners required for long term transparent relationships, it is necessary to have clear oversight over actual production and sales Vs estimated production per member.
	Calibrating Weighing Equipment (SPOs, core, year1) <i>Takes effect in July 2023.</i>	To ensure accuracy of member sales reporting hereby ensuring members receive correct payment for their cocoa.
	Documenting the Product Traceability Procedure (SPOs, core, year 0) <i>Takes effect in July 2023.</i>	In order to assist SPOs in managing the risk of non-member and member cocoa being mixed, more detailed oversight is required of the traceability procedure.
	Product Tracing Solutions (SPOs, core, year 3) <i>Takes effect in January 2024.</i>	To achieve first mile physical traceability (identity preserved) from the cocoa farm and the farmer to the SPO.
	Physical segregation to export (Payers and conveyors, core) <i>Takes effect in January 2025.</i>	This change will bring about a higher credibility for SPOs, e.g. in terms of HREDD claims.
2.1 Mass balance	Mass balance: origin matching of bean volumes (Traders, core) <i>Takes effect in January 2025.</i>	To apply origin matching for all cocoa bean sales and purchases to ensure transparency regarding the mass balanced cocoa's country of origin.
3. Production	Intent: To enable effective management that supports SPOs to comply with Fairtrade standards and to	

New standard section	New Standard 2022	Comments
	deliver services to their members; and to advance respect for human rights and the environment in the supply chains, in line with the UN Guiding Principles on Business and Human Rights and core ILO Conventions.	
3.1 Management Systems Farm Operators	Records of Farm Operators (SPOs in Côte d'Ivoire, Ghana, core, year 3) <i>Takes effect in January 2024.</i>	This requirement will make farm operators who are not members visible in the SPO's IMS system and will ensure that their data can be used for purposes of HREDD analysis.
	Formal agreements between Farm Owners and Farm Operators (SPOs in Côte d'Ivoire, Ghana, core, year 3) <i>Takes effect in January 2025.</i>	The contract between farm operator and landowner will bring security, and stability to the farm operator and clarify how Fairtrade benefits will be shared.
	Reporting on Farm Operators (SPOs in Côte d'Ivoire, Ghana, core, year 3) <i>Takes effect in January 2025.</i>	The reporting indicators will be shared with Fairtrade International annually, in order to inform Fairtrade interventions and enable aggregated and anonymized reporting to the public or to stakeholders upon request.
3.2 Human Rights and Environmental Due Diligence	Commitment to Respecting Human Rights and the Environment (SPOs in Africa, Asia, core, year 0) <i>Takes effect in July 2023.</i>	The requirement will set the basis for an entire HREDD process to be embedded into an organization; it stipulates the intention of what is to come.
	Awareness Raising (SPOs in Africa, Asia, core, year 0) <i>Takes effect in July 2023.</i>	With this requirement, the organization is bound to raise awareness amongst their stakeholders of human rights, environmental sustainability and the organization's commitment, hereby influencing attitudes and behaviors towards protecting human rights and environmental sustainability.
	Risk Assessment (SPOs in Africa, Asia, core, year 1) <i>Takes effect in July 2023.</i>	The organization will improve their understanding of the salient human and environmental rights issues for their organization by conducting regular risk assessments.

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	Grievance Mechanism (SPOs in Africa, Asia, core, year 1) <i>Takes effect in July 2023.</i>	Putting a grievance mechanism in place is key in identifying risk to human rights and the environment. It acts as an early warning system that supports the risk assessment, as it is a formal process for receiving and responding to complaints from stakeholders.
	Human Rights Policies and Procedures (SPOs in Africa, Asia, core, year 1) <i>Takes effect in January 2024.</i>	This requirement outlines clearly and with detail the organization's policy and procedures for each of the salient issues identified in the risk assessment.
	Action Plans (SPOs in Africa, Asia, core, year 1) <i>Takes effect in January 2024.</i>	To fully implement policies, action plans are required to set out the concrete actions organizations will take to prevent, mitigate, cease and remediate the most salient human rights and environmental problems identified.
	Supporting Producers with Action Plans (Traders, core) <i>Takes effect in January 2024.</i>	
3.3 Labour Conditions, Child Protection and Social Development	Monitoring and Remediation for Child Labour and Forced Labour (SPOs in Côte d'Ivoire and Ghana, core, year 3) <i>Takes effect in January 2024.</i>	In Côte d'Ivoire and Ghana, every Fairtrade certified SPO implements a monitoring and remediation system.
	Monitoring and Remediation for Child Labour and Forced Labour (SPOs in Africa and Asia, development, year 3) <i>Takes effect in January 2024.</i>	If child labour or forced labour is identified as a high risk for an organization, the organization implements a monitoring and remediation system.
	Supporting Producers to address and Remediate Child Labour and Forced Labour (Traders, core) <i>Takes effect in July 2023.</i>	This requirement asks traders (and in turn the trader's customers) to support SPOs with the costs or resource needed to address and remediate the risk of child and forced labour, including (but not limited to) the implementation of Monitoring and Remediation Systems.

New standard section	New Standard 2022	Comments
	School Attendance (SPOs in Côte d'Ivoire, Ghana, core, year 1) <i>Takes effect in January 2024.</i>	To contribute to prevention and mitigation actions to combat child labour.
	Vocational Training and Employment (SPOs in Côte d'Ivoire, Ghana, core, year 1) <i>Takes effect in January 2024.</i>	To secure a viable future with decent livelihoods for youth in rural communities and importantly contributing to prevention and mitigation actions to combat child labour and forced labour.
	Vulnerable Groups (SPOs in Côte d'Ivoire, Ghana, core, year 1) <i>Takes effect in January 2024.</i>	To improve the situation of vulnerable groups.
	Equal Opportunities (SPOs in Côte d'Ivoire, Ghana, core, year 1) <i>Takes effect in January 2024.</i>	To target gender equity.
3.4 Deforestation Prevention and Environmental Development	Protection of forests and ecosystems (SPOs, core, year 0) <i>Takes effect in January 2024.</i>	To strengthen forest cover loss aspects of Fairtrade certification, specifically by including a cut-off date of December 2018.
	Assessing and Monitoring Deforestation Risk (SPOs, core, year 1) <i>Takes effect in January 2024.</i>	To strengthen procedures to prevent deforestation, making risk assessment and preventative measures mandatory such as the use of geo location data and deforestation monitoring data.
	Deforestation Prevention and Mitigation Plan (SPOs, core, year 1) <i>Takes effect in January 2024.</i>	SPOs are asked to create a plan which will enable them to use the results of their risk assessment and monitoring to develop prevention and mitigation activities.
	Supporting Producers to prevent and mitigate deforestation (traders, core) <i>Takes effect in January 2024.</i>	To support the SPO's plan and the related necessary investments, traders should partner with SPOs for these activities.

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	Geolocation data (SPOs in Africa, Asia, core, year 0) <i>Takes effect in January 2024.</i>	Geolocation data has to be provided for all farm units, so that forest cover loss monitoring can be carried out, and also to enable traceability.
	Sharing geolocation data (payers and conveyors, core) <i>Takes effect in January 2024.</i>	Payers/conveyors often collect quite extensive data on SPO members and their farms, and so should share this data with their SPO partners, so that SPOs can analyze this data.
	Reporting on deforestation prevention (SPOs in Africa, Asia, core, year 1) <i>Takes effect in January 2024.</i>	The reporting indicators will be shared with Fairtrade International annually, in order to inform Fairtrade interventions and enable aggregated and anonymized reporting.
	Reporting on deforestation prevention (Traders, core) <i>Takes effect in January 2024.</i>	The reporting indicators will be shared with Fairtrade International annually, in order to track Fairtrade's objective of promoting cost sharing across the supply chain. This information will be kept confidential.
3.5 Living Income	Farm Record Keeping (SPOs in Côte d'Ivoire, Ghana, development, year 3) <i>Takes effect in January 2024.</i>	By increasing awareness, the requirement intends to enable increased income of farmer households via improved practices.
	Living Income Benchmark Comparison (SPOs in Côte d'Ivoire, Ghana, development, year 3) <i>Takes effect in January 2025.</i>	An assessment of the data against Living Income benchmarks will make progress towards Living Income visible and measurable.
	Income Resilience (SPS, development, year 3) <i>Takes effect in January 2024.</i>	To support cocoa producers to be less dependent on cocoa and cocoa price fluctuations.
	Farmer Business Training (SPOs, development, year 3) <i>Takes effect in January 2025.</i>	To improve farm efficiency and build entrepreneurial skills.

New standard section	New Standard 2022	Comments
	Farmer Financing Needs (SPOs in Côte d'Ivoire, Ghana, development, year 6) <i>Takes effect in January 2025.</i>	SPOs provide adequate services to members.
<b>4. Business and Development</b>	<b>Intent: To ensure that Fairtrade transactions are carried out under transparent and fair conditions, in a way that lays the foundations for producer empowerment and development.</b>	
4.2. Pricing	Payment of the price differential in Côte d'Ivoire by conveyors (conveyors, core)	Ghana taken out of scope of this requirement, as there are no conveyors in Ghana.
4.3 Payment terms	Distribution of the price differential in Ghana and Côte d'Ivoire (SPOs, core, year 0) <i>Takes effect in January 2023.</i>	30 days payment timeline added.
	Accounting systems for the price differential and premium (SPOs in Cote d'Ivoire, Ghana, core, year 0) <i>Takes effect in January 2023.</i>	Content of interpretation note moved into the requirement.
	Recording Fairtrade Payments to Members (SPOs in Côte d'Ivoire, Ghana, core, year 3) <i>Takes effect in January 2024.</i>	Introducing payment tracking will create a system that is accountable and transparent for members of the SPO.
	Digital Payments to Members (SPOs in Côte d'Ivoire, Ghana, development, year 3) <i>Takes effect in January 2024.</i>	E-payment technology creates a more efficient and safer payment system for SPO vs cash payments to members in the field.
4.5 Sourcing plans	Transparent Processes for Fairtrade Volume Allocation (payers, conveyors, core) <i>Takes effect in July 2023.</i>	To create more transparency for producers on the purchase decisions by traders.