

Standards Committee

Minutes

Meeting 118: July 28th, 2025

(Zoom)

SC members: Arun Ambatipudi, Ben Huyghe, Richard Odurose Kwarteng (Chair), Gustavo Lopez, Marike de Peña, Emilie Sarrazin, Stijn Decoene (absent) and Selene Scotton (absent).

Observers: Fairtrade International and FLOCERT staff members have permanent observer status.

Other Observers: We do not display the full names of observers and contributing observers to comply with 'The General Data Protection Regulation (GDPR)'¹. If you need additional information about the observers or contributing observers of this meeting, please contact standards-pricing@fairtrade.net

Disclaimer:

The Fairtrade International Standards Committee (SC) aims to reach consensus, but decisions may not always reflect the opinions of all people.

The section to introduce the topic (background information) has been written by the Standards & Pricing and may not have been discussed by the SC in full. Sections listing action points are an outcome of discussions of the SC but are not part of the decisions made.

Abbreviations.

CLAC	The Latin American and Caribbean Network of Fairtrade Small Producers and Workers
FI	Fairtrade International
FMO	Fairtrade Marketing Organization
GOTS	Global Organic Textile Standard
GPM	Global Product Manager
HL	Hired Labour
HREDD	Human Rights and Environmental Due Diligence
LAC	Latin America and the Caribbean
LW	Living Wage
NAPP	Network of Asia & Pacific Producers
NFO	Non-Fairtrade Organizations
NGO	Non-Governmental Organizations
S&P	Standards and Pricing Unit
SC	Standards Committee
SU	Standards Unit

¹ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation). <https://eur-lex.europa.eu/eli/reg/2016/679/oj>

Item 1 – Opening

The SC chair opened the meeting at 13:00 with only six SC members present. One SC member is on parental-leave. Ground rules were reminded of and the consent to record was obtained.

Agenda: The SC chair went through the agenda, and it was approved.

Declaration of conflict of interests: No conflict of interest.

Action items: Agenda is approved. Ground rules are shared.

Fairtrade Textile Standards-Revised Proposals

Proposals 1:

- **Requirement 2.4 on the annual wage increase, which replaces 3.5.2**
It applies to all factories at Tier-1.
- **Requirements 2.5 and 2.6 on the recording and reporting of LW differential and wages**
They apply to all factories.

Discussion:

- A SC member raised the point that, in the case of bananas, it is the workers' committee, rather than the company, that pays the LW differential. If the company pays, it incurs legal duties. The LW differential is a voluntary distribution. The comment follows a concern around making sure there is no legal risk/issue behind the standard. The presenter replies that the brand pays the factory, which then distributes the LW differential to the workers. There is a compliance committee that ensures this happens, and workers can be informed by this committee.
- Another member asks if there are any tax implications for the factory making the payments. The presenter responds that, if there are any tax implications, the company will handle them.

Decision 1:

- Do you agree to adopt all proposed changes for the above requirements 2.4, 2.5 and 2.6 after discussion with the SC members, including amendments agreed during the discussion?
- Do you agree to delegate minor changes in wording of these requirements as well as removal of requirements to the Director of S&P? Each of these are clearly indicated per proposal.

All SC members voted unanimously in favour of the proposal.

Proposals 2:

- **Requirement 3.4.5: Communicating freedom of association rights to workers and local trade unions.** It applies to all factories.
- **Requirement 3.2 Employment contracts.**

Discussion

- On 3.4.5: The presenter clarifies that the project team believes these are the minimum conditions that the requirement should have.
- In response to a question from an SC member, the presenter stated that, in India, while Trade unions are legal entities, there is no legal mandate that factories should recognize them. The requirement 3.4.5 is stronger than the one applicable for hired labour organisations (HLOs).
- In response to another question, the presenter confirmed that workers could organise themselves into a trade union.
- One of the SC members highlights supporting this decision but believes that workers should be able to choose the trade union that best serves their interests. The presenter replies that there is currently no engagement between factory workers and trade unions. Management staff will therefore inform the workers, who will then be approached by the trade unions. Management staff will not decide which trade union workers should join.
- A final recommendation from an SC member would be that any trade unions receiving this communication should be legally recognised, because Fairtrade as an institution would face reputational risk if this were not the case.

Decision 2:

- Do you agree to adopt all proposed changes for the above requirements 3.4.5 and 3.2 after discussion with the SC members, including amendments agreed during the discussion?
- Do you agree to delegate minor changes in wording of these requirements as well as removal of requirements to the Director of S&P? Each of these are clearly indicated per proposal.

All SC members voted unanimously in favour of the proposal.

Proposals 3:

- **Requirement 4.1. Written commitment to respecting human rights and the environment.**
- **Requirement 4.2 Internal alignment with the commitment on human rights and environmental sustainability.**
- **Requirement 4.3 Awareness raising.** Applies to all factories at tier-1.

Discussion:

- The presenter adds that NAPP will play a major role in capacity building and HREDD compliance implementation in textiles factories by approaching management and workers alike.

Decision 3:

- Do you agree to adopt all proposed changes for the above 4.1, 4.2, 4.3 requirements after discussion with the SC members, including amendments agreed during the discussion?
- Do you agree to delegate minor changes in wording of these requirements as well as removal of requirements to the Director of Standards and Pricing? Each of these are clearly indicated per proposal.

All SC members voted unanimously in favour of the proposal.

Proposals 4:

- **Requirement 4.4 Risk assessment.** It applies to all factories
- **Requirement 4.5 Human rights-based grievance mechanism for medium and large factories at tier-1**
- **Requirement 4.6 Human rights-based grievance mechanism for small factories at tier-1**
- **Requirement 4.7 Raising awareness about the grievance mechanism.** It applies to all factories.

Discussion:

- A SC member asks how suppliers can get support in the risk assessment. The presenter replies that we are looking into social indicators, and that factories and “entities” are dealing with this issue, although not necessarily the entire supply chain.
- A SC member raised concerns about sexual harassment being reported through one channel and then translated into another. In practice, it was suggested, that it is better to have a separate channel for this specific matter from the beginning, as women would not trust this committee. The SC member highlights that this is an area in which all standards should be strengthened in future.
- The head of standards intervenes to say that this proposal for India mirrors what we have in the HL standards. However, there are some differences between these two standards, and they should be aligned. It is recognized that it is important to investigate strengthening all standards in terms of reporting sexual harassment.
- A SC member recommends improving wording in requirement 4.7 by adding workers in the 3rd sentence too: “and take annual measures to make the mechanism known and accessible to staff, workers, suppliers and other stakeholders.”

Decision 4:

- Do you agree to adopt all proposed changes for the above requirements 4.4, 4.5, 4.6, 4.7 after discussion with the SC members, including amendments agreed during the discussion?
- Do you agree to delegate minor changes in wording of these requirements as well as removal of requirements to the Director of Standards and Pricing? Each of these are clearly indicated per proposal.

All SC members voted unanimously in favour of the proposal.

Proposals 5:

- **Requirement 4.8 Human rights and environmental policies.** It applies to all factories at tier-1.
- **Requirement 4.9 Action Plan for medium and large factories at tier-1**
- **Requirement 4.10 Action Plan for small factories**

Discussion:

- A SC member raised a question regarding requirement 4.9, asking how realistic it is to have a dialogue outside the factory. The SC member also questions whether the action plan should be approved by senior management and the workers' committee, as it is important for the workers to take ownership of the plan themselves. The presenter replies that, in some cases, it is possible to engage in broader dialogue outside the factory, for example with NGOs. It was also explained that, in addition to senior management, the compliance committee (made up of workers) should also approve the action plan. Guidance from the HL standard should be included into this standard.
- It is emphasised again that the plan should be approved by both management and workers.

Decision 5:

- Do you agree to adopt all proposed changes for the above requirements 4.8, 4.9, 4.10 after discussion with the SC members, including amendments agreed during the discussion?
- Do you agree to delegate minor changes in wording of these requirements as well as removal of requirements to the Director of Standards and Pricing? Each of these are clearly indicated per proposal.

All SC members voted unanimously in favour of the proposal.

Proposals 6:

- **Requirement 4.11 Dialogue on HREDD collaboration.** It applies to medium and large factories in Tier-1.
- **Requirement 4.12 Support to suppliers on HREDD.** It applies to medium and large factories in Tier-1.
- **Requirement 4.13 Tracking due diligence activities.** It applies to factories at Tier-1.

Discussion:

- Regarding requirement 4.11, it is stated that grievances should be shared at an aggregated level because they are confidential. Additionally, it is clarified that, for reporting purposes, we should keep the specification on 'Fairtrade buyers', which aligns with standard compliance.
- It is suggested that the wording is changed to 'your most relevant Fairtrade buyers' as it is done in another standard.
- Regarding requirement 4.12, it is clarified that factory supports their suppliers (at least one entity in the supply chain, following the trader standard).
- Regarding requirement 4.13, the wording is to be amended to include 'workers' (compliance committee), as noted previously.

Decision 6:

- Do you agree to adopt all proposed changes for the above requirements 4.11, 4.12, 4.13 after discussion with the SC members, including amendments agreed during the discussion?
- Do you agree to delegate minor changes in wording of these requirements as well as removal of requirements to the Director of Standards and Pricing? Each of these are clearly indicated per proposal.

All SC members voted unanimously in favour of the proposal

Proposal 7:

Requirement 5.1 Products containing responsible Fibers.

Decision 7:

All SC members voted unanimously in favour of the proposal.

Proposals 8:

- Requirement 5.2 Contracts with NFOs replaces 5.6.1
- Requirement 5.3 Contracts with Fairtrade supplier/ tier 1 factories
- Requirement 5.4 Action based on grievance shared

Discussion:

- On requirement 5.2, a SC member asked how NFOs or FMOs take accountability for the payments to arrive at factory level. It was answered that double side verification will ensure this. Brand owners to pay and verify and factory level control if wages are paid. Responsibility from both sides to check. [It will be monitored how it develops and if there's abuse, step in and regulate.](#)
- On 5.3, a SC member asked if a link between the agent and the brand can be added so that it is traceable that an agent works on behalf of a brand – official, formalized or legal agent. It was answered that there should be a joint responsibility to act on grievances not a need to proof that the grievances are an outcome of purchasing practises.
 - It was proposed that the wording should not say negotiation but in dialogue/ engage with the factories and supplier should be changed to factory.

Decision 8:

- Do you agree to adopt all proposed changes for the above requirements 5.2, 5.3, 5.4 after discussion with the SC members, including amendments agreed during the discussion?

All SC members voted unanimously in favour of the proposals.

Proposals 9:

Final decisions:

1. Does the SC approve removing requirements that become irrelevant due to the change in scope to only Tier 1 factories?
2. Does the SC approve change in scope of those requirements that were not consulted and remain only with a focused scope to Tier 1 factories?
3. Does the SC delegate final decisions of substantive and non-substantive changes and date of applicability to the S&P Director? The final decisions will depend on the resolution of the regulations of use of the mark.

Discussion:

- SC members commented that they want to be informed about the last decisions taken by the director
 - ➔ Short update, potentially in written, during the next SC.

Decision 9:

1. Does the SC approve removing requirements that become irrelevant due to the change in scope to only Tier 1 factories?
2. Does the SC approve change in scope of those requirements that were not consulted and remain only with a focused scope to Tier 1 factories?
3. Does the SC delegate final decisions of substantive and non-substantive changes and date of applicability to the S&P Director? The final decisions will depend on the resolution of the regulations of use of the mark.

All SC members voted unanimously in favour of the proposals.

Next Steps.

Next steps were presented including

- Locally led to provide a revised draft Standard to SU with track changes for SU to approve.
- Final decision taking by S&P director.
- Legal and brand to engage in a workplan for mark review.
- Publishing the revised standard tbc.
- Implementation and trainings on the new standard tbc.
- Start of applicability tbc.

AOB

Arun flagged for NAPP that some concerns were raised concerning the seed cotton price decision of the 117th SC. NAPP wants to comment on this during the next SC meeting.