

Standards Committee

Minutes

Meeting 119: September 23-25, 2025

(On-Site)

SC members: Arun Ambatipudi, Ben Huyghe, Stijn Decoene (Chair), Richard Odurose Kwarteng (Vice-Chair), Gustavo Lopez, Marike de Peña, Emilie Sarrazin and Selene Scotton (absent for the first half of the meeting)

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

CEO	Chief Executive Officer
CLAC	The Latin American and Caribbean Network of Fairtrade Small Producers and Workers
COSP	Cost of Sustainable Production
CI	Côte d'Ivoire
EC	Exceptions Committee
EUDR	European Deforestation Regulation
FCS	Fairtrade Climate Balance
FTO	Fairtrade Organizations
FI	Fairtrade International
FMP	Fairtrade Minimum Price
FOB	Free on Board
FP	Fairtrade Premium
FPC	Fairtrade Premium Committee
FSI	Fairtrade Sourcing Ingredient
FBW	Fairtrade Base Wage
GI	Global Impact
GOTS	Global Organic Textile Standard

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>

GMB	Group Mass balance
GPM	Global Product Manager
GPPP	Global Products, Programs & Policy
HL	Hired Labour
HLO	Hired labour Organization
HML	Hazardous Materials List
HOC	Head of Oversight and Compliance
HREDD	Human Rights and Environmental Due Diligence
ISCOs	Initiatives for sustainable Cocoa.
LAC	Latin America and the Caribbean
LI	Living Income
LIRP	Living Income Reference Price
LW	Living Wage
NAPP	Network of Asia & Pacific Producers
MSP	Minimum Support Price.
NEM	New Economic Mechanism
NFO	National Fairtrade Organization
NGO	Non-Governmental Organization
OC	Oversight Committee
PC	People's Committee
PB	Producer Body
PM	Project Manager
PN	Producer Networks
PO	Producer Organization
PT	Project Team
PU	Pricing Unit
SPU	Standards and Pricing Unit
SC	Standards Committee
SOP	Standards Operating Procedure
SPO	Small-scale Producer Organizations
SU	Standard Unit
StEP	Standards Evolution Project
ToR	Terms of Reference

Item 1 – Opening

Meeting Started at 09:15am

Agenda: Chair officially opened, the agenda read and approved and ground rules read.

Declaration of conflict of interests: Stijn mentioned that there were 2 conflicts of interest for Banana Price review. Arun Ambatipudi mentioned it was a conflict of interest on Textile Standard Review only if it is a decision.

Proxies were confirmed as SU members logged in the meeting.

Selene gave her proxy by email to Emilie Sarrazin and Stijn Decoene.

Action Items

In Progress.

- Reporting requirements monitoring, as GI and SU come to the SC with a proposal on topics and schedules of new the reports. Next report to be shared in November meeting. Proposed schedule bi-annual.
- Publication of fresh and vegetables standard pending due to final alignment with trader standard.
- Wage data reporting implementation (GI) by FairInsight enabling dependent of agreement with pricing.
- Final assessment and decision required from the FI board for Banana register closure.
- Started Phase 2 for the Cocoa price review for regulated markets (Ghana and Cote Ivoire)
- PU will provide information on data analysis and pricing model option which will be consulted for Coffee price review.

Next steps

- Next Reporting requirements report from GI on EUDR/Deforestation related reporting 24-26Nov
- Land size limitation to HLOs proposal assessment 24-26 Nov
- Wage data collection via Fairinsight for bananas. Preparatory around setting methodology, cleansing, validation and rolling out training is pending. Applicability is planned to start as of Jan. 2027.
- Pending last decisions of Textile Standard review by the Director of S&P. SC members will be informed as soon as there is more information.

Item 2 – News Session

News from FI and the Fairtrade System:

- Andreas Kratz (Director S & P) delivered the following update from Lisa, where he informed about a few projects that are being worked on at the moment at Fairtrade International.
- Coordination with all members to get to the extraordinary general assembly meeting in 20th, November 2025 to approve a new global strategy for 2026- 2028. He committed to send out the outcome of the so-called phase 2 of the strategy process to SC members.
- Top priority is so-called Enhanced Standards initiative to implement STEP

- Finally, digitalization is another priority, also in relation to using digitization to make Standards distinct.
- For 2026, there will be limited resources to do extensive projects due to the focus on STEP.

News from the OC

This section was delivered by OC Chair for the OC meeting on 22, September 2025.

The OC was updated about the follow up on the second instance compliant that was previously decided by the OC, requirements for licensing bodies, and monitoring ongoing pilot project.

For the potato pilot the OC will recommend changes to the SC for the fresh fruits and vegetables standard.

They recorded a successfully Sansbury's pilot story led and initiated by the Targeted premium pilot.

Decisions:

- Coconut for processing pilot (NEM) was decided to be stopped.
- A new Model on certifying HREDD requirements for traders in integrated supply chains. This HREDD Assurance pilot was approved.
- The assurance and licensing risk management plan was approved.
- The new exceptions Policy v2.1 was approved, some wording changes still Publication in December 2025.
- The possibility to apply for exception use of prohibited material to end by 31 December 2025, current exceptions will remain valid until July 2026. With the condition that there is temporary solution found on the standard level, until the full review of the HML is finalised.

News from SC

This was delivered by the Chair Mr. Stijn Decoene where he stated that there will be a new SC member joining the committee, Mr Nicholas Kadiri (FTA Representative) as Mr. Richard Odurose Kwarteng's Term ends.

He also announced that he has been re-appointed as member of the Standards Committee for the next 3 years.

News from S&P

Head of Standards introduced 2 new team members. Jose Miguel Perez (Pricing Project Manager, Maternity Cover for Yun-Chu Chiu) and Alexandra Cremer (S & P Coordinator).

Item 3 – Director’s Decisions

Discussion

There were 2 Director’s decisions:

- The first decision on sesame seeds was taken on the 25, July 2025. The decision was under section 1.3 to change the product description of sesame seeds from “Natural white sesame” to “Sesame seed” only.
- The second decision has to do with the interpretation notes for requirement 1.1.1 for Cocoa standard. Producers Organization need to submit “Letter of Intent” to FLOCERT when applying. The interpretation was strengthened in order to prevent misuse.

Item 4 – Banana Price Review

Information

The Project Manager presented an overview of the process that led to the development of 47 FMPs for LAC and Africa for 2026, including six new country-specific FMPs for CI and EC.

FI conducted two cost analyses based on:

1. production costs, wages, and labour legislation ratios up to June 2025.
2. consultation feedback and stakeholder meetings (June–September 2025).

Findings confirmed cost increases in labour, crop maintenance, and FOB-EXW differentials.

Overall, Fairtrade Minimum Prices (FMPs) increased by 4.6% (FOB level) and 6% (Ex Works level) compared to 2025 prices.

Discussion

A SC member inquired why, in some cases, the recommended prices were higher than those consulted. The PM explained that the initial price proposals sent for consultation were based on figures provided by the producers themselves. The final recommendations to the SC incorporated feedback collected during the consultation period as well as from subsequent meetings and calls. This feedback, presented on a country-by-country basis during the SC session, supported the proposed price increases.

One SC member raised a concern about a possible inconsistency in the price increase for the ACP FMP. The PM clarified the distinction between ACP and non-ACP FMPs, explaining how each is calculated. For example, the ACP FMP is an average price—set in US dollars—based on the country-specific FMPs of ACP countries such as Cameroon, Ghana, Côte d'Ivoire, and the Dominican Republic. In some of these countries, FMPs are initially set in Euros; to calculate the average, these must first be converted into US dollars.

The PM also mentioned that a reduction in banana volumes is expected due to decreased productivity. As a result, an increase in prices is also anticipated.

A suggestion was made to include FOT prices, as in previous years. It was also recommended to provide more country-specific context to improve overall understanding of the pricing decisions.

Another SC member asked whether the EU organic legislation was considered in the price calculations. It was confirmed that this factor was included for countries with significant organic volumes, such as the Dominican Republic and Ecuador. The new legislation is expected to raise production costs, thus impacting prices.

One member asked whether any feedback was gathered after the consultation period regarding the amended proposals. The PM confirmed that additional meetings and calls were held with stakeholders to gather further input.

It was clarified that the costs of inland freight and port charges are included in the FOB (Free on Board) price. However, there remains a need to specify the boundaries from which FOB price applies. In Ecuador, for example, clarification is needed on inland freight costs to ensure that exporters can correctly reimburse producers.

Lastly, it was emphasized that producers must pack more than 18.14 kg per box to accommodate the ripening process, and this requirement should be clearly communicated.

Decision

Emily voting for Selene (proxy), 2 SC members not voting due to conflict of interest.

- Decision 1: Approval of 16 Ex Works FMPs for banana from LAC and Africa
- Decision 2: Approval of adding country specific FMPs at Ex Works level, for banana from CI
- Decision 3: Approval of 2 Ex Works FMPs for banana from CI
- Decision 4: Approval of 25 FOB FMPs for banana from LAC and Africa
- Decision 5: Approval of adding country specific FMPs at FOB level, for banana from CI and EC
- Decision 6: Approval of 4 FOB FMPs for banana from CI and EC

Voting in block: all decisions unanimously approved.

PM highlighted the next steps, see presentation.

Item 05 - Coffee Price Review

Information

SC members were informed about the activities related to the Coffee Price Review during this year and the next steps for the upcoming activities.

Expert panel advice on the following topics

- Global vs regional prices
- Organic Price vs organic differential
- Fairtrade Premium

Effective date of new prices.Prices proposal development

Pricing Unit is adjusting the COSP master table and will start having meetings with the project team to agree on the price values that will go for consultation.

Updated Work Plan & Timeline

- Discussions about the price proposals among project team members in September/October 2025.
- Consultation document ready in November 2025. Translation in early December.
- Consultation will take place in February-March 2026 as agreed with PNs
- The aim is to have the Standards Committee decision by June 2026. However, the project team may request additional time to discuss the outcome of the consultation, potentially shifting the target to a September SC decision.

Critical reflections

PU also shared some critical reflections about the process on data collection and the bottlenecks confronted.

Discussion

- An SC member pointed out that leaving the organic differential model as it is a good decision since the Fairtrade Organic Differential serves as a reference point for the coffee industry, as it enables SPOs to negotiate with buyers (and with their members) in Latin America and the Caribbean.
- The values of the organic differential are urgent, as all SPOs are currently struggling with higher costs of organic production. The team noted that the delay in the workplan and timeline originated from the Producer Networks' data delivery and emphasized that the consultation and approval process should not be phased out.
- One SC member pointed out that cost data will become outdated by 2026. The PM explained that the data will be updated by accounting for inflation and more current exchange rates.
- A Standards Committee (SC) member requested to be informed about the progress before the consultation is launched.
- Workshops will be held for the Producer Networks (PNs) to help them understand the consultation document.

Item 06. STEP Standards Restructuring Workstream

The S&P Director gave a warm greeting to all Standards Committee members and observers and acknowledged the importance of the meeting for advancing the StEP project.

Purpose of the session:

- To provide an update on the StEP project progress, focusing on standards restructuring and risk & results approach.
- To ensure alignment on next steps and gather feedback from the committee.

Context Setting:

- Reiterated the strategic importance of the StEP project in simplifying and modernizing Fairtrade Standards.
- Highlighted the two main objectives:
 - Create a principles-based framework for standards.
 - Integrate risk-based and results-oriented approaches.

Agenda Overview:

- Standards Restructuring update
- Risk & Results Approach update
- Project roadmap and next steps.

Expectations:

- Discussion will inform the November SC meeting where the draft framework will be reviewed.

Overview:

- The committee reviewed progress on the **Standards Restructuring Workstream** as part of the stEP initiative.
- Objective: Align standards with principles, streamline content, and improve consistency across SPO, HLO, and Trader standards.

Current Status:

- **Stage 1:** Creating a **Principles-based Framework** from generic standards is in progress.
- **Stage 2:** Mapping and integrating product standards will start in **October/November**.
- Consultants engaged are focussing as follows:
 - Management & Governance Principles
 - Social & Economic Principles
 - Environmental Principles

3. Key Activities Completed / Ongoing:

- Mapping requirements against principles.
- Classifying requirements into **criteria** and **evidence**.
- Consolidating language and removing duplication.
- Draft framework expected by **end of October 2025**.
- Initial mapping of product standards started; AI tools tested but found ineffective for detailed analysis.

4. Methodology & Guidelines:

- **Objective:** Maximize consistency and simplicity with minimal language/content changes.
- Use existing subheadings and language where possible.

- Ignore core/development distinctions for now.
- Prioritize social and environmental principles by risk level.
- Management principles based on due diligence logic.

5. Next Steps

- Complete draft framework by **October 2025**.
- Targeted stakeholder discussions.
- Discussion with Standards Committee in **November 2025**.
- Further stages:
 - Integration of product standards.
 - Integration of risk and results approach.
 - Refinement of criteria and evidence.
 - Clarify applicability for SPOs, HLOs, and Traders.

6. Challenges & Observations:

- Significant mindset shift required for SU, Standards Committee, and stakeholders.
- AI experiment showed **no significant time savings**; manual mapping remains necessary.
- Need to decide on the future role of Product Standards vs. Add-ons and guidance.

Discussion

- Standards Restructuring update.

Validation of Stages:

- A SC member inquired whether the Committee should validate both Stage 1 and Stage 2 of the restructuring process, potentially in a dedicated SC session. The Standards & Pricing (S&P) team confirmed that an update will be presented at the November SC meeting. It was also proposed to clearly distinguish the roles of different actors in the value chain—such as SPOs, SPO members, traders, HLOs, and workers—which was confirmed as part of the revised framework.

Duplication of Requirements:

- A proposal was made to remove duplicated legislative references and overlapping requirements. When asked if this process had begun, the response was that it has not yet started. However, thematic experts will review these changes in due course. The issue of multiple certifications was also raised; one approach under consideration is to assess risks and results first, then determine how to address the burden of overlapping certifications.

Applicability of Criteria:

- The practicality of certain criteria was questioned and mentioned that may not be relevant in some regions or countries, citing the example of gender-specific toilet facilities. The response indicated that once the mapping exercise is complete, an analysis of non-compliance will be conducted to ensure criteria are clear and more applicable. This review is part of the ongoing project.

Risk-Based Approach:

- It was emphasized that while mapping and reorganizing standards is important, organizations must prioritize based on their capacity, as full compliance may not be feasible. They asked how the risk-based approach would work in practice. The response clarified that although the revised standards will be risk-based, compliance remains mandatory, and Standards will not be adapted to the capacity of individual producer organizations.

Benchmarking and Interoperability:

- A SC member noted that the Belgian office is conducting a benchmarking study involving seven categories and principles, focusing on interoperability, due diligence, and alignment with Fairtrade Standards and suggested engaging with this initiative and asked how Fairtrade compares to other schemes. The response acknowledged the importance of monitoring these developments and assessing the implications of revised standards against benchmarks. While Fairtrade cannot influence external benchmarking outcomes, efforts will be made to stay informed and maintain Fairtrade's unique value proposition.

Risk & Results Approach update

- The updated Risk and Results Approach, formerly Risk and Impact, aims to help certified organizations focus efforts where risks are highest and improve outcomes. It builds on existing tools like the Fairtrade Risk Map and risk self-assessments to assign risk levels and guide compliance. High risks lead to mandatory criteria; medium and low risks allow for prioritization. A single action plan must show how risks are addressed, including Premium use. While obligations focus on existing requirements, further guidance will clarify responsibilities—especially for HLOs, where Premium use is more limited.

Outreach Strategy

- A centralized Outreach Strategy has been created, combining consultation, engagement, and communication workstreams. The goal is to ensure clear messaging and meaningful participation across stakeholders. Work is underway to finalize scope and stakeholder plans, supported by mapping and help desk functions. Messaging will highlight effectiveness, producer empowerment, and the strategic evolution of standards. The term “new standards” will be avoided to maintain clarity and continuity.

Project roadmap and next steps

The project remains in its design phase, with assurance and IT components now advancing in parallel to standard development. Work is ongoing to define resource needs and integrate systems. Draft standards are expected for public consultation in mid-2026, with final publication by end of 2026 and implementation in 2027. All stakeholders will be consulted during the development process.

Item 7. Seed Cotton

Discussion

At the July SC meeting, the Standards Committee approved an organic FMP, defined by the conventional FMP plus 20% seed cotton and an increase in the Fairtrade Premium from €0.05 to €0.07. These changes were to apply from September 15, 2025. Feedback from the market side and Producer Organizations (POs) raised concerns about the feasibility of implementing these prices due to market volatility and high competition in seed cotton supply chains.

Several actors across the Fairtrade system—including NAPP, Fairtrade Africa, national Fairtrade organizations (NFOs), and market stakeholders—highlighted significant risks if the prices were not reviewed. In response, urgent discussions were held to assess the situation, and the SC was asked to revisit the July decisions based on the proposal paper of the locally led cotton group.

On Tuesday, 23 September 2025, the pricing unit presented the decisions made from previous meetings regarding seed cotton pricing, followed by the locally led cotton group presenting the need for and new

proposals an organic FMP and Fairtrade Premium. A discussion was followed, which resulted on postponing the meeting for Thursday.

On Thursday, 25, September 2025, the CEO of Fairtrade India presented new insights from the Indian market. During the following discussion, on the SC could come to a decision on the new prices regarding the organic FMP, Fairtrade Premium, and implementation dates.

Proposal

The Locally Led Cotton Group presented two proposals:

- Adjust the organic FMP differential from +20% to +10% above the conventional FMP.
- Revise the Fairtrade Premium from €0.07/kg back to €0.05/kg.

While the Pricing Unit (PU) emphasized the need for more time and data to validate market risks, the SC was informed by the locally led initiative of urgent feedback from markets and producers, indicating immediate action was needed to avoid partner losses and market disruptions.

- **Market feedback:** NFOs from France and Germany reported strong concerns from traders and brands that the increased prices were unsustainable.
- **Producer feedback:** Most POs supported the 20% differential due to rising costs of production, certification, and irrigation, especially in India. However, some supported the 10% compromise as a way to retain Fairtrade market access.
- **MSP comparison:** It was clarified that although the MSP is €0.74, only 11–34% of Indian cotton is sold at MSP, while Fairtrade prices remained competitive overall.
- **PU stance:** The PU reiterated that they had not been involved in the post-July consultations and therefore could not endorse immediate changes without further review.
- **Implementation urgency:** Multiple SC members highlighted that waiting until November would lead to loss of partners during the key harvesting and contracting period in October.

Decision

Following extensive discussion and presentations, the SC agreed to revise the July decision as follows:

- **Organic FMP:**
The Fairtrade organic FMP for seed cotton will be set at **+10%** of the conventional FMP, instead of the previously approved 20%.
The SC unanimously voted in favour.
- **Fairtrade Premium:**
The Fairtrade Premium will **remain at €0.07/kg**, as previously approved in July, acknowledging the rising costs associated with compliance and sustainability.
The SC unanimously voted in favour.

- **Implementation Timeline:**

The revised 10% FMP differential is to be implemented **immediately**, with the exact date to be coordinated by the relevant units and approved by the S&P Director.

The SC unanimously voted in favour.

Rationale of the Decision

The SC acknowledged the urgency communicated by traders, POs, and NFOs regarding market instability and contracting delays. Reducing the organic FMP differential to 10% was seen as a compromise that could balance supply and demand while retaining core producers in the system. Maintaining the Fairtrade Premium at €0.07 ensures continued investment in producer development and covers rising certification and sustainability costs.

Next Steps

- The SC encouraged the Pricing Unit to remain involved in ongoing consultations and to conduct a formal evaluation of market responses and volumes during the 2025/2026 season.
- It was recommended that PU provide an update in early 2026 regarding the effects of this decision on supply chains and market performance.
- SC members highlighted the importance of clear communication with all stakeholders to reinforce transparency and trust in Fairtrade pricing mechanisms.

Item 08. Withdrawal of the Fairtrade Climate Standard (FCS) and Exit Strategy

Summary of Presentation:

1. Background & Implementation Status:

- FCS focused on carbon credits from small-scale and community-based projects.
- 5 certified projects and 2 pending applications (2025).
- 6 active licensing contracts across Europe.

2. Rationale for Withdrawal:

- Internal challenges: outdated methodologies, obsolete agreements, and weak internal expertise.
- External pressures: regulatory shifts, reduced market interest, and increased scrutiny on carbon credit projects.
- FCS no longer aligns with current corporate climate action focusing on scope 3 emissions reductions.

3. Proposed Exit Strategy:

- Phase 1: No new applications after 31 Dec 2025.
- Phase 2: Issuance of credits allowed until 2031 (cookstoves) and 2036 (reforestation).
- Phase 3: Sales permitted until 31 Dec 2037; contracts end thereafter.
- Removal of Section 5.7 to ease buyer requirements and increase credit sales.
- Methodologies to be updated to align with new versions from Gold Standard.

4. Communication Plan:

- Internal and external stakeholders to be informed via Fairtrade Hub, website updates, and direct communication.
- Q&A document to support messaging.

5. Standards Committee Decisions:

- Approval of FCS withdrawal and exit strategy.
- Approval of Section 5.7 removal.
- Delegation to S&P Director for final methodology decisions.

Discussion

- One member of the SC commented that carbon credits are becoming less central to corporate climate action frameworks. It was noted that a significant shift is occurring in corporate climate strategies, with a growing emphasis on reducing Scope 3 emissions within supply chains rather than relying on carbon credits. This trend is particularly relevant for organizations seeking compliance with the Science Based Targets initiative (SBTi).

Decision

- **Approved** unanimously the withdrawal of the Fairtrade Climate Standard (FCS) and the implementation of the proposed exit strategy.
- **Approved** unanimously the removal of Section 5.7 of the FCS, which applied exclusively to end-buyers and imposed additional contractual and reporting requirements.
- **Delegated** unanimously authority to the Standards & Pricing (S&P) Director to finalize the updated methodologies applicable to current projects and those preparing for application before 31 December 2025.

Next Steps (Oct–Dec 2025):

- Dissemination of decisions and updates across Fairtrade units and partners.
- Review of FCS associated documentation for compliance with EU directives.

Item 9 - Trader Standard

The PM started by giving recap on project background and project status.

Objective of the session: To get approval of the Standards Committee (SC) on presented proposals. The following topics: product composition, trader certification & verification scope, and role of payer & conveyer was proposed to be presented for decision at the next SC meeting. Following the approval of all decisions, the revised Standard is scheduled for publication in Q1 2026.

Recap: The PM provided an overview of the project objectives, project timelines, consultation process and insights.

- Decisions below were taken in blocks on the following topics: Communication on HREDD; Labour rights section: Forced Labor and Environmental protection.

Topic 4: Communication on HREDD

S&P recommendation: Do not introduce the requirement at this stage; address it within the Standards Evolution (StEP) project. Digital platforms are not ready; traders need more time to comply with existing HREDD requirements to build better experience on required measures and activities before they are required to report on these.

Topic 5: Forced labour

S&P recommendation: Inclusion of the requirement ensures minimization of forced labour risk, in line with EU legal frameworks, and supports compliance with new regulations. The recommendation is to include modified requirement as new Core Year 1 that stipulates about communication by trader companies to their workers about commitment to address Forced Labour referring to the ILO indicators for what counts as forced labour.

Discussion

SC members stressed importance of alignment with producer standards as Traders are located both in the global South and North.

Another SC member suggested that this should be addressed in the StEP framework and the PM clarified that the StEP framework is not about introducing new requirements and therefore it would be important to consider it for approval following the current review.

SC member raised a concern that the proposal is quite weak and shows a clear lack of responsibility for trader companies to proactively ensure there is no forced labour. The burden on compliance with such requirement needs to be distributed. Suggested wording from the SC member: Create awareness and good understanding amongst all workers.

It was agreed that the wording would be further refined, including scope of informing subcontractors.

Topic 6 : Environmental protection

S&P recommends strengthening the requirement and therefore deleting the two VBP requirements and incorporate these aspects as 'best practice' for compliance.

Discussion

CoE on Climate & Environment highlighted that in general with companies are getting increasingly more interested and requiring data that are related to environmental protection. Another aspect that was brought up regarding the implementation of VBP requirements that did not result as practical as intended. Head of Standards highlighted that with ongoing StEP project there would be further improvement of HREDD related requirements under the section/requirements on Management System.

SC member highlighted trader roles in delivering services to producers when it comes to use of Hazardous Materials, concluded on the importance to keep standalone requirements on environment applicable to traders.

A suggestion for requirement on 4.2.4: to use a "to reduce" instead of 'minimize', remove 'direct', make clear that 'proportionate' is 'proportionate to available resources'; add clarity on the 'timelines'; not to be limited

only to 'Fairtrade products. Suggestion for requirement on 4.2.2 to include use chemicals when traders deliver services to producers

Standards Project Manager confirmed the changes to be incorporated and further suggested that following the implementation an Interpretation Note could be issued to improve auditability, including implication of the word 'minimize' if it is used due to the terms used in legislations and regarding the timelines.

Decisions in block

Decision 4.1: Do you agree to not introduce Core/Year 3 requirement on HREDD reporting

Decision 5.1: Do you agree to introduce a new Core/Year 1 requirement that ensures that trader companies communicate on forced labour commitment to their workers and staff

Decision 6.1: Do you agree to modify requirement 4.2.2 on Hazardous Materials List

Decision 6.2: Do you agree to modify the requirements text and applicability of VBP requirement 4.2.4 into Core/Year 3, with 1 year transition time and to delete VBP 4.2.5 and 4.2.6 requirements

The SC voted unanimously in favour of the proposal.

Topic 3: Traceability

Consultation proposals

▪ 3.1. Mass Balance modifications

S&P recommendation was to modify Mass Balance section and requirements to reflect the following:

- Processing of mass balanced volumes (inputs) is not required.
- Physical delivery of the product remains compulsory, but the site - could be a warehouse.
- Like for like rule for cane sugar is stipulated in Cane Sugar Standard, overrules the TS definition.
- Monthly level is proposed to be kept although it was not supported by some product specific stakeholders. However, the non-conformity analysis over 2022-2025 showed that on average up to 80% of trader companies that apply mass balance were found to be compliant with keeping their mass balance positive on a monthly basis. Hence this is considered feasible. One year transition time will be granted, during which monitoring would be carried out.
- Purchase definition is locked to 2 options of the document types (as opposed to 4 options consulted), with one year transition time.
- Group Mass Balance (GMB) requirement is modified following the clarification in the interpretation note.
- Feedback from Fruit Juice trader to extend GMB to fruit juice product to be addressed via interpretation note.

Discussion

The suggested monthly positive balance was debated. It was proposed to amend it to a quarterly positive balance to find consensus. A specific regulation could be later added in the Cane Sugar Standard.

▪ **3.2. Introduction of Single site mass balance at batch level.**

S&P recommendation was to not introduce such requirement due to lack of interest and support from both, external and internal stakeholders

▪ **3.3. Identity preservation (IP) model**

S&P recommendation was to add a new requirement in the existing Trader Standard section, and to introduce a new section to the trader standard with a set of requirements applicable to coffee traders who opt to trade under Identity Preservation and one modified requirement applicable to small-scale producer organizations. The intention is to first learn about implementation with applicability only for coffee and later expand to other products.

Discussion: Some suggestions were made to improve the wording of the requirement that stipulates about the choice of model so it is clear for coffee traders that they can only choose between identity preservation or physical segregation but not mass balance.

The discussion included further clarification why IP would firstly be limited to coffee, although a FLOID is always available for all Fairtrade certified products. The answer was that we already currently implement this model in coffee with reporting volumes on Fairtrade. However, with new requirements we'd like to introduce one product now and expand it to more products later. This is also why the suggestion is not to introduce such requirements in coffee Standard but keep it in the Trader Standard, also for the purpose of further development claims for this model.

Decisions 3.1-3.3:

In total there are five modified requirements; one proposed requirement to not include in the Standard; new section with four new requirements for traders and one for SPOs.

Decision 3.1: Do you agree to introduce modifications to the requirements on Mass Balance that stipulate quarterly timeframe for mass balance to be kept positive, for like-for-like rules and stipulation regarding the processing? With transition period (only for *purchase definition*): 1 year

Decision 3.2: Do you agree not to introduce the Single Site Mass Balance at batch level model?

The SC voted unanimously in favour of the 3.1 and 3.2 proposals.

Decision 3.3: Do you agree to introduce the section on identity preservation model with corresponding three requirements applicable to coffee traders and one requirement to SPOs, and to add new requirement in current Physical Traceability section for traders to notify FLOCERT about their choice of traceability model?

The SC voted in favour of the 3.3 proposal with one abstention.

Decisions below were taken in blocks on the following topics: Scope and Assurance and Right to Fairtrade

Topic 1: Scope and Assurance

This Trader Standard section indicates which companies should be certified and how to verify the right to trade Fairtrade products.

S&P recommendation was to modify the section and introduce the reference to Section 1.2 and 2.2. of the trader standard. Another key change in these sections is to make an explicit reference in the description of certification scope in situations when banks take legal ownership of Fairtrade products as a collateral, which was until now unclear for the purpose of auditing, since FLOCERT cannot audit banks.

Topic 2: Right to trade Fairtrade products

2.1 Certification body permission prior to trade (Requirement 1.1.1)

The S&P recommendation was to modify the requirement so that non-certified companies may source from Fairtrade certified operators provided they do not make any Fairtrade claims. So that trader companies could be sanctioned only in cases if they have made unjustified claims. The requirement does not apply to trading products that are finished product and Fairtrade labelled.

2.2 Fairtrade products that are not in a consumer ready package (Requirement 1.1.5)

The requirement currently states that Fairtrade products in consumer-ready packaging are only sold to Fairtrade traders with a valid certification. This wording limited trade and made verification challenging. NFOs reported that traders were not always able to ensure they were selling to uncertified operators and therefore requested the improvement of the requirement.

The S&P recommendation was to modify the requirement so that trader companies that sell non-consumer ready packaged product to non-certified operators need to ensure that their customers understand that they cannot claim the product is Fairtrade.

Discussion

On requirement 1.1.5, some SC members had doubts on how this requirement applies to suspended operators, since the requirement refers to 'non-certified' traders. The PM commented that there will be a clarification on this point in the guidance to this requirement. Another SC member proposed that this should be allowed to sell to suspended traders.

Block decisions 1.1-2.2

Decision 1.1: Do you agree for standards' section "Scope and assurance" to include explicit reference which sections of the standard have to be verified by a licensing body? And explicit reference in scope of certification for the cases when bank is taking legal ownership of the product.

Decision 2.1: Do you agree to modify the requirement 1.1.1 for traders to not sell products as Fairtrade before getting a permission from certification body?

Decision 2.2: Do you agree with modifications introduced to requirement 1.1.5 for traders selling non-consumer ready products to traders that are not certified?

The SC voted unanimously in favour of the proposals.

Topic 7: Sustainable trading relationships

7.1 Pre-finance

Pre-finance has been a criticised mechanism by NFOs and producers, due to previous bad experiences. Some mentioned that this mechanism is not helping producer to get financial support for their purchases. Some traders mentioned that when pre-financing, sometimes products were either not delivered or delivered with lower quality than agreed.

The S&P recommendation was to consider two options for SC to decide. This is because, after further consultation with the project team, there were divided opinions as to whether to leave the pre-finance as compulsory as it is currently applicable or to completely delete it.

- Option 1: Pre-finance provision is changed to be provided upon request from producer and traders do not need to carry out any evaluation to prove if they cannot provide pre-finance, Written agreement on terms of pre-finance (applicable to traders), Written agreement on terms of pre-finance (applicable to producers), Pre-finance facilitation if pre-finance was not provided.
- Option 2: Pre-finance provision requirement is deleted, Written agreement on terms of pre-finance provision (applicable to traders) requirement is deleted, Pre-finance facilitation is modified as a support to enable access to finance for producers and is required upon request from producers.

Discussion

Regarding the option upon request, a SC member commented that it does not empower producers, and the bargaining power might lead into producers not receiving any pre-financial support. Therefore, the SC member proposed to keep requirement compulsory and give producers the option to decide if taking pre-finance or not. It was mentioned that pre-finance that works safely for traders is warranted by the contract.

SC members mentioned that many producers need prefinancing to be able to trade and so some SPOs might not be able to source without this mechanism. Other members added the point that Pre-financing is a core element which characterizes Fairtrade. Another SC member mentioned that in some regions the banks usually do not offer enough agricultural loans to run the business.

Another SC member mentioned that country laws might affect pre-finance alternatives and proposed options as allowing pre-finance and potentially including collaterals. Another alternative proposed was to provide a guidance for pre-finance which can include risk assessment to protect traders, allowing trader to provide this mechanism based on risk categorization.

Other SC member mentioned the relevance of traders providing pre-finance if requested, but they should not be warranting the provision in all cases. In addition, a question came about which are the implications when the loan by pre-finance is not paid back by an organization, as getting decertified. It was proposed to explore voluntary options while facilitating the sourcing of HLOs and SPOs.

Finally, SC members suggested to postpone the decision to the next meeting and gather additional inputs which enable the decision making. As additional inputs, it was proposed to check some data on how many transactions happen with the pre-finance mechanism in the Fairtrade system, and how often is pre-finance

used by producers. Another suggestion was to analyse how HLOs do their pre-financing as well as checking how pre-financing works for SPOs on each of the most relevant Fairtrade supply chains, even including some anecdotal inputs.

The PM mention that it would be possible to check non-conformities as background.

Decision 7.1

SC decided to postpone the decision on pre-finance to the next SC meeting (next possible November 2025)

7.2 a: Sourcing plan and market information for planning

The Trader Standard requires traders to provide a sourcing plan to producers. However, in the past 10 years it has faced significant practical challenges and criticism from stakeholders, among others: not contractually binding, traders are hesitant to provide estimates (too high volumes can set false expectations, too low there is a risk to lose producers) and the plans not always provide accurate information so producers cannot plan effectively.

The S&P recommendation was to modify the requirement on sourcing plans provision upon request from producers' and for requirement to stipulate provision of other information – 'relevant market information', and to delete voluntary best practices requirements.

Discussion

Some SC members argued that the sourcing plan should remain obligatory, as it promotes transparency and supports planning, especially for small producers. While sourcing plans may not be binding, SC members agreed that are valuable for business planning and that access to market information is key to empower producers. One SC member pointed out that there is currently no "upon request" clause in the HL, SPO or CP standards—it is part of the requirement. Changing it to "upon request from the producer" could create auditing challenges, so alignment with existing standards would be needed.

Another SC member explained that producers in Latin America prefer to eliminate the requirement for sourcing plans upon request (req. 5.5.1) but making the other two core (req. 5.5.2 and 5.5.3).

The OC advisor explained that it often becomes a tick-box compliance check, i.e. with little practicality and non-conformities arising when valid contract exists but no sourcing plan was submitted. Traders often source from many producers, so they only provide plans to their key suppliers to secure volumes. The SU head added that the requirement, as it currently is, does not align with real trading practices and creates unnecessary risk and confusion, especially in dynamic markets. Allowing sourcing plans upon producer request gives flexibility and helps avoid non-compliances.

Decision 7.2a: Do you agree to keep the requirement in sourcing plan provision as 'upon request from producers', including also provision of 'relevant market information' and to delete two VBP requirements?

The SC voted unanimously in favour of the proposals.

7.2 b: Capacity building

The S&P recommendation was to proceed with consulted proposal. The PM clarified these requirements were introduced as aspirational goals, but after 10 years, there's little evidence of implementation or added

value. In addition, these requirements can be misleading, as readers may assume that traders are providing more support to producers than what is stipulated by these requirements and that these topics can be kept in mind and considered in future discussion under the StEP project.

There was no discussion. SC members proceeded directly to the vote.

Decision 7.2b: Do you agree to delete the section Capacity building with three VBP requirements (5.7.1, 5.7.2 and 5.7.3)?

The SC voted unanimously in favour of the proposals.

7.2 c: Long term commitment and contracts

The S&P recommends to slightly modify the wording of the contract requirement to allow some flexibility—where applicable, FLO-ID and price differential should be included—and to delete the two VBP requirements related to long-term commitment and tripartite contracts. Elements of these two may be considered in future product-specific reviews or within the StEP project.

Discussion

An SC member noted that the consultation results showed clear support for long-term commitment from producers and exporters and suggested to revisit the topic within the StEP project.

Another SC member highlighted that in France, long-term commitment is legally embedded in the definition of fair trade, alongside minimum price, premium and pre-finance. And warned that deleting this requirement without an alternative could jeopardize Fairtrade's recognition or legal status in the country. The SU Head explained that if it is a legal requirement in a country, it will be for sure addressed within the STEP project.

Th S&P director raised concerns that the current wording of the long-term commitment is not enforceable, as it lacks clarity on how the commitment should be expressed or documented. As an alternative, it was proposed to include it when the contract requirements are reviewed. For example, to link it to a two-year sourcing plan, which could provide a clearer, more measurable basis for demonstrating long-term commitment. On that note, an SC member pointed out that most traders won't even commit for two years, unless they are involved in a supply chain project or due diligence efforts.

The consultant emphasized that from the StEP project perspective, long-term should be enforceable, but the approach should remain flexible. Traders should be able to demonstrate a long-term commitment through various actions, such as sourcing plans, pre-finance, etc., but they should not be expected to carry every single one out. Instead, it is important to ensure that each option is feasible.

Decision 7.2c: Do you agree to modify the current requirement on contracts and to delete VBP requirements (5.1.8 and 5.1.9) on long term commitment and tripartite contract?

The SC voted as follows: six votes in favour and two disagree, with the observation to bring the long-term commitment element back to the standards for traders, in the STEP project.

Topic 8: Fairtrade price and premium and Timely payment

The S&P recommends to two changes : a minor language clarification to define payment timelines more clearly (using "calendar days" instead of ambiguous terms, and removing the word "must") and the inclusion of a new requirement allowing delayed payment of the organic differential up to 15 calendar days, and under

two conditions: when a laboratory test was agreed and included in the contract or after the product arrives at destination country and receives a negative test result.

The change aims to provide clarity and accountability in cases of justified delays due to testing. While some questioned the need—especially from regions where this is not common—no clear alternative was proposed. The regulation would help ensure transparency and contractual clarity for such situations.

Discussion

An SC member suggested removing the reference about laboratory testing for organic products, since testing delays can also happen with conventional products. In addition, they suggested a simpler approach: maintain the 15- and 30-day payment timelines and only pay for the organic differential if the product is confirmed organic within that time frame. They felt the current proposal gives a negative impression of organic products.

The S&P director acknowledged the effort to address delayed payments for organic premiums but raised concerns about the new EU organic regulation. They noted uncertainty around how labs will be selected and what qualifies as a "negative" test result.

Another SC member asked for clarification on the timeframe for paying Fairtrade Premium and organic differential. They noted that 15 days seems short compared to typical payment terms of 30 days or more, based on their experience.

An SC member raised the question about whether the timely payment requirement would also apply to an organic minimum price, such as in textiles. If yes, then this should be clearly stated.

In the banana sector, payments are made weekly—before any test results are available. If the product turns out not to qualify as organic, a claim is made, and the amount is paid back. This approach prioritises timely payment, with adjustments handled afterward if needed.

The OC advisor clarified that the 15-day rule for paying the organic differential comes on top of the product-specific standards, which define the main price payment terms.

Although SC members agreed that traditionally tests happen in the origin country, the new EU organic regulation may require testing within Europe, which adds complexity and uncertainty.

SC recommendation for requirement modification: to change “payment is no later than **30** calendar days upon arrival of the product in the country of destination”.

Decisions

Decision 8.1: Do you agree to modify current requirement with clear reference to ‘calendar days’?

The SC voted unanimously in favour of the proposals

Decision 8.2: Do you agree to introduce a new requirement where organic differential is applicable, and a late payment could be justified as outlined in the requirement?

The SC voted unanimously in favour of the proposals, with change in requirement as suggested

Topic 9: Trading with integrity

The S&P recommendation is to proceed and updated the guidance of existing 5.8.1 UTP requirement with more examples of unfair practices. And to introduce three standalone Core/Year 0 requirements addressing Fairtrade contract conditions, preventing paid prices below the FMP and prohibiting unfair payment terms. The first is audited reactively (only when there is an indication), but the new requirements will be checked proactively in every audit.

Discussion

An SC member expressed confusion over the wording of req. 5.8.2, it was suggested to improve the text for clarity and simplicity.

Another SC member suggested to amend req. 5.8.4. to specify if traders want to make any deductions for services (like inland transport), both parties agree to such terms and these deductions should be outlined in the contract and clearly specified in the invoice, including the value of the service and how the deductions will apply.

Decisions 9.1 – 9.4: Do you agree with the proposed changes to strengthen the approach on unfair trading practices, including the addition of more examples in the existing requirement and three new requirements to allow for a stand-alone compliance check?

The SC voted unanimously in favour of the proposals, but with the consideration that there would be slight rewording of requirement 5.8.2 for clarity and of requirement 5.8.4, it should state that both parties must have agreed on the terms, and these should be reflected in the contract.

Other changes

The final point addressed the implementation of changes, with a distinction between fast-track changes and those requiring more time. It was suggested that a one-year transition period would be feasible, as the changes mainly involve clarifications rather than major shifts in practice. The proposal was to approve the transition period and delegate the final decision on the applicability dates to the S&P Director.

The PM clarified the timelines as per request of the S&P director. The fast-track changes, compliance criteria will be updated as of July 2026, while others with a one-year transition would apply from January 2027. The updates would be published in January and July each year, respectively.

The SU head added that the fast-track implementation would focus on changes that simplify and clarify existing practices, which FLOCERT can implement in the next cycle. For other changes that require adjustments in practices, a one-year transition period will apply.

Decision 10.1: Do you agree with the transition periods proposed above and to delegate to the Director of S&P the final decision on dates of applicability?

The SC voted unanimously in favour of the proposals

Decision 10.2: Do you agree to the delegation of approval of non-substantive changes and final wording of the standard to the director of S&P?

The SC voted unanimously in favour of the proposals

Next steps

Oct-Nov 2025

- Finalise proposals for decision on 120 SC meeting: on verification scope, pre-finance, minimum Fairtrade content, and the roles of Payer & Conveyor
- Final version of the standard, translate and publish
- Develop supporting and explanatory documents and materials

Jan-Feb 2026

- Publication of the revised standard
- Train PNs, FLOCERT and auditors

Mar-Apr 2026

- Develop of compliance criteria together with FLOCERT
- Implement fast-track changes

Jul 2026

- Start of applicability of fast-track changes

Jan-Feb 2027

- Start of applicability of remaining changes

Item 10 – CLAC Request for standard adjustment regarding geolocation data for coffee and cocoa producers.

Discussion

CLAC formally requested to delay the start of Standard Requirement 3.1.6 for Coffee and 3.4.5 for Cocoa to January 2027 and thereafter to allow producers to report geolocation data aligned with importing country requirements rather than uniform EUDR compliance, preventing mass decertification due to producer unpreparedness for EUDR requirements and the standards affected requirements of 3.1.6 Coffee and 3.4.5 (Cocoa) regarding geolocation.

CLAC's new proposed wording for the geolocation standard 3.1.6 for coffee and 3.4.5 for cocoa is as follows: **"You comply with legal requirements of the respective importing countries regarding geolocation data and risk evaluation of deforestation for the volume ultimately exported to each country"**.

In relation to CLAC formal requests, FI's EUDR Program lead for Fairtrade International emphasized the market dependency reality of 75% of coffee ending up in European market and 90+% of cocoa destined for European market, balanced against the fact that for producers in CLAC region this may represent only 30% of their product volume destined for the European market. Risks and limitations of CLAC's proposed solution included market access risk, reputational damage, competitive disadvantage through watering down Fairtrade's anti-deforestation stance relevant to what is already considered expensive pricing for commercial partners, limitation of scope in terms of not fully considering all connected standard requirements that would be impacted by changes to 3.1.6 and 3.4.5 for coffee and cocoa respectively, harm

to the environment, and failure to consider fairtrade system feedback from other stakeholders including a number of NFOs expressing a desire not to change the standard.

At this intersection Recommendation A, with four sub-components, was introduced and unanimously approved:

Decision

Recommendation A:

- A delay to the start of Standard requirement 3.1.6 for Coffee, to start in January 2027, with an amendment of the requirement applying to member plots, not farms. (urgent)
- A delay to the start of Standard requirement 3.4.5 for Cocoa, to start in January 2027 for Latin America and Caribbean only, with an amendment of the requirement applying to member plots, not farms. (urgent)
- No change to the implementation of requirement 3.4.5 for Cocoa for Africa and Asia. SC recommends that Fairtrade International looks into potential risks of this decision for these two regions and share findings with SC.
- A rapid review of the Coffee and Cocoa standards under direction of S&P Director should take place to align them with any of the changes implied from 1 and 2, as far as the 1-year delay and switch from farm to plot respectively. (urgent)
- A wide-ranging consultation is required to inform any further suggested review of Fairtrade's commitment to protecting forests with Standards, including proposals for market based-compliance, member-based certification, and further proposals arising from SC119. (not urgent)

Next Steps

- **Immediate Actions** includes formal response to CLAC's request. Implement urgent changes and plan non urgent processes and all key stakeholders, delegated to S&P director and team together with EUDR programme lead.
- **Future Milestones** includes Report back to standards committee on progress and potential secondary presentation by Q4 2025 and communicating changes to the system.

Item 11 Cocoa Price Review

Overview of cocoa price review – phase 2

- Regarding the Fairtrade Minimum Price (FMP), the focus is regulated markets: Côte d'Ivoire & Ghana
- Regarding the Fairtrade Premium and Organic Differential values, FI is consulting with all cocoa producing countries: regulated and non-regulated.

Outline of the current consultation

High level of uncertainty in the market: high prices persist, demand is dropping, cocoa substitutes are being experimented, and consumer prices are increasing.

- **Update of Costs of Sustainable Production (COSP) in Côte d'Ivoire and Ghana.**
 - Production costs increased in both countries due to inflation, labour shortage, etc.
 - Yields went down due to adverse weather conditions, pest and disease outbreaks.
- **FMP proposals:**
 - Option 1 (simple average) : 3,000 USD (Ghana), 2,800 EUR/MT (Côte d'Ivoire)
 - Option 2 (weighted average) : 3,500 USD/MT (Ghana), 3,200 EUR/MT (Côte d'Ivoire)
- **Fairtrade premium:** realities and priorities are different among stakeholders and regions.
 - SPOs in Africa → the priority is to maintain and further grow sales as currently only 1/3 of their production is sold as FT.
 - They propose different value options for consultation.
 - SPOs in LAC → higher sales on FT terms, often a higher quality product. They propose a premium of 10% of the new FMP to comply with new regulation.
 - Commercial partners → They face cost pressure due to high cocoa prices and new regulation. At the same time, they request more transparency on premium use.
 - In total, 4 premium options (proposals) were included for consultation for Africa: No increase, 10% increase, 20% increase, 46% increase/10% of the new FMP for non-regulated markets (to align with LAC).
 - Global vs regional premium: this topic was also incorporated in the consultation and, risks were highlighted.
 - Fairtrade premium allocation: 40% or 50% paid to SPO members in cash. This proposal only applies for Côte d'Ivoire and Ghana. Rationale: 1) expectations from West African regulatory bodies, 2) the FT's mission to work towards living incomes, 3) enhance members' commitment (loyalty), 4) increase accountability between SPO management and members.
- **Organic differential:** values are re-consulted in phase 2.
 - Proposal in phase 1: 390 USD/MT (increase by 30%) to reflect higher organic costs.
 - Feedback from SPOs in LAC: 500 USD/MT needed to cover increased production costs and new EU Organic Regulation.
 - Shortage of FT organic cocoa from LAC.
 - SPOs in Africa/Sierra Leona agreed with 390 USD/MT in phase 1. Lower production costs than SPOs in LAC and they struggle with sales under the current 300 USD organic differential.
 - In total, 3 value options for the organic differential (proposals): 30% increase, 50% increase, 67% increase.
- **Date of validity:** different transition periods are suggested due to different trading realities.
- **For consideration:**
 - It was not possible to agree on global values for consultation due to different priorities.

- However, all project team members stated their preference for global values for Premium and Organic Differential
- CLAC highlighted the importance of a 500 USD organic differential. They signalled their willingness to compromise regarding the premium.
- For FT Africa and NFOs it was important to consult on different value options and assess stakeholder feedback.

- **Stakeholder involvement in the consultation**

- Period: 26 August – End September
- Word document in 3 languages (EN, FR, ES) and online survey in EN.
- Webinars with PNs and NFOs to introduce the consultation topics. PNs are organising workshops (8 in Africa, and 7 in LAC)
- NFOs are engaging with commercial partners, ISCOs and NGOs
- GPPP engaging with multinational traders and cocoa associations.
- Feedback compilation in the beginning of October to analyse, discuss and come up with proposals for the SC.

Discussion

- In response to a question from an SC member about the proposal for Premium allocation, FTA emphasised that West Africa governments expect Fairtrade to demonstrate how much of the premium goes to individual farmers. It is also with the aim of contributing to living incomes. Currently, SPOs distribute already cash to farmers, but it varies from one organisation to another. So, during the consultation, SPOs are asked to consider the proposed premium allocation requirement of 40–50% to farmers.
- On the same topic, an SC member also mentioned that the premium was originally created for collective projects. It would be a reputational risk to suggest that it is now intended to increase farmers' incomes. This SC member believes it is important to understand the rationale/expectations of the regulatory bodies and the alternatives to this proposal. For November, there should be further information on this.
- FTA stated that SPOs have not entirely used the premium for collective projects in West Africa. Members of cooperatives have always considered the direct financial benefits of their membership to maintain their loyalty and motivation within the organisation.
- Another SC member mentioned that this proposal aligns with the Rainforest Alliance's (RFA) approach of transferring a part of the premium to farmers.
- Final remarks: While FT's identity is based on collective action. we are facing new challenges such as regulation, so innovation in our pricing tools is needed.

Next steps

- **October:** project team meetings
- **November:** preparation SC paper
- **24 – 26 Nov:** SC meeting & decision-making
- **Mid December:** announcement of new prices

Item 12 - Revised Textile Standard update/ follow up.

The PM updated that the revised Standard had been put together, and SU needed to sign it off, this process was ongoing. Further, locally led colleagues had worked together with the comms unit to create comms material for internal use. At the same time, they would reach out to commercial partners to secure their interest. Also, the process to review the regulations of use of the mark is yet to start, and the publication of the revised Standard depends on the outcome of this process. Hence, the publication date is not confirmed.

Item 13 – Entry requirement assessment

An analysis of impacts from entry requirements in coffee and cocoa was presented. Different hypotheses were elaborated and evaluated on the effect of entry requirements. The effects on unfair trading practises are not clear but a main point of why these are favoured. There is a recommendation to analyse the root problem that solutions should address and only use entry requirement where absolutely needed.

Discussion

Effect depends on us growing the FT market; if the FT market does not grow, we will not see a positive effect of entry requirements.

Decision

Endorsement of the paper before taking it to the board and guidance on next steps.

It is discussed that a regional approach might be needed to address different local circumstances. The same applied to different product realities.

Next Steps

Comments from the SC will be added, included product and regional specific recommendations.

Item 14 – AoB and closing

Words of gratitude were expressed to Richard Kwarteng, representative of Producers - Africa, for his service and contributions.

Next Steps

Next meeting date 24-26 November 2025 (Virtual meeting), including cocoa prices and is possible in the afternoon.

Final agenda to be decided.