



Fairtrade Trader Standard Main Changes

Fairtrade Trader Standard

The revised Fairtrade Trader Standard is the result of a review undertaken between May and November 2023 as part of the full standard review with focus on Human Rights Due Diligence (HREDD) topic.

The revised Fairtrade Trader Standard was approved by the Standards Committee in November 2023.

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 revised Standard.

This document does not describe the content of the changes in full detail. This document does not replace a detailed study of the revised Standard and is not part of the Standard.

Key changes:

- **The Standard review on HREDD.**
- **New requirements on compliance with national law, committing to respecting human rights and the environment and raising awareness about it, human rights and environmental risk assessment and policies, action plan, remediation procedure, dialogue on HREDD collaboration, support for producers and tracking due diligence activities.**
- **Strengthening requirements on management of environmental impact**
- **Definition of trader organization size applicable to HREDD requirements, Fairtrade supply chain, supplier, sustainable purchasing, applicable date.**
- **Addition of intent and scope section on HREDD, reordering of requirements and change of sections and requirements number**

Overview of the revised Fairtrade Trader Standard:

The revised Fairtrade Trader Standard is applicable as of 1 January 2025. This version supersedes all previous versions and includes new and changed requirements. This table shows the most important changes. New requirements or sections are marked as ‘NEW’, changes in existing requirements or guidance are marked as ‘MODIFIED’, deletions are also indicated.

Trader companies that start their certification on or after the 1 January 2025 will need to comply with the applicable requirements.

Trader companies that are certified before 1 January 2025 will need to comply with all applicable requirements following their regular certification cycle. However, there will be different transition periods for complying with them. If there is no particular timeline mentioned in the requirement, it means that the requirement is applicable as of 1 January 2025.

Revised standard section	Type of change	Revised Standard, 16.04.2024_v 2.0	Comments
Introduction	MODIFIED	- Reference to national legislation deleted as this is now a requirement in the Standard - Modified sections “Scope & assurance” and “Definitions”	
1.General requirements			
Requirement 1.1.10	NEW	- Requirement Compliance with national law (Core, Year 0), applicable to all traders	Compliance with national law was mentioned in the introduction in the previous Standard version. It is now added as a reactive requirement to enable Fairtrade to act in case violations to national legislation take place. It also provides clarity to companies on how to act in case that Standard contradicts with the national law.
3. Human rights and Environmental Due Diligence			
Section	NEW	The Intent and Scope: aligned with requirements that have been added in this section	
Requirement 3.1.1	NEW	Written commitment to respecting human rights and the environment (Core, Year 0), applicable to all traders	To demonstrate commitment to respect human rights and environmental sustainability with a written statement. <i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2026.</i>

Requirement 3.1.2	NEW	Alignment of commitment with operations (Core, Year 3), applicable to all traders	To embed the commitment into existing management systems, companies need to assign responsibilities on due diligence measures and align operational policies and procedures with HREDD aspects covered in written commitment. <i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027.</i>
Requirement 3.1.3	NEW	Raising the awareness about commitment (Core, Year 1), applicable to all traders	The content and implication of company's commitment for operations is known to management and staff, and that suppliers and subcontractors are also informed. Raising awareness among stakeholders about human rights helps to influence attitudes and behavior towards protecting human rights and environmental sustainability. <i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027.</i>
Requirement 3.2.1	NEW	Risk assessment (Core, Year 1), applicable to all traders	Risk assessment enables the companies to map, assess and identify the most serious risks and challenges related to human rights and environment, in company's own operations and supply chains. The risk assessment is conducted at least every 3 years. <i>Trader companies certified before 1 January 2025 have to comply with first two points of risk assessment by 1 January 2026 and full requirement compliance by 1 January 2027</i>
Requirement 3.2.2	NEW	Human rights based grievance mechanism (Core, Year 0), applicable to medium and large size traders	Having a grievance mechanism in place is key to identifying human rights and environmental risks. It acts as an early warning system to support risk assessment, as it is a formal process for receiving and responding to complaints on human rights and environmental risks and problems from workers, suppliers and other individuals and groups, before they grow bigger.
Requirement 3.2.3	NEW	Human rights based grievance mechanism for small traders (Core, Year 0), applicable to small traders	Small trader companies to develop a written procedure on complaints of injustice, harm or fraud relating to company. <i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2026.</i>
Requirement 3.2.4	NEW	Raising awareness about the grievance mechanism (Core, Year 1), applicable to all traders	Staff, suppliers and other stakeholders need to be informed about the grievance mechanism and have access to it.

			<i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i>
Requirement 3.3.1	NEW	Human rights and environmental policies (Core, Year 1), applicable to medium and large size traders	<p>Developing and implementing sustainable purchasing policies and policies for the most salient human rights and environmental issues linked to the company that were identified during the risk assessment to address those issues. The policy is revised at least every 3 years.</p> <p><i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i></p>
Requirement 3.3.2	NEW	Action Plan for medium & large traders (Core, Year 3)	<p>Action plans set out the concrete actions that companies will implement to prevent and mitigate the identified most salient human rights and environmental issues</p> <p>Companies have to develop their action on plan in consultation with staff, internal experts and Fairtrade suppliers to come up with effective activities. The action plan is revised annually to keep it up to date.</p> <p><i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i></p>
Requirement 3.3.3.	NEW	Action Plan for small traders (Core, Year 3)	<p><i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i></p>
Requirement 3.3.4	NEW	Remediation procedure (Core, Year 1), applicable to all trader	<p>Where trader company caused or contributed to a human rights or environmental harms, it has a responsibility to remediate the harms and / or collaborate in the remediation with others and according to their procedure.</p> <p><i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i></p>
Requirement 3.3.5	NEW	Supply chain dialogue on HREDD collaboration (Core, Year 3), applicable to medium and large traders	<p>Companies (first buyers) need to reach a common agreement with their producers on how they will collaborate and support their producers on HREDD related activities.</p> <p><i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i></p>
Requirement 3.3.6	NEW	Support for producers on HREDD (Core, Year 3), applicable to large trader	<p>Large trader companies need to provide adequate resources and training for producers to implement due diligence.</p> <p><i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i></p>

Requirement 3.4.1	NEW	Tracking due diligence activities (Core, Year 3), applicable to all traders	Tracking helps to assess if due diligence activities are working and effective, and change ineffective activities. <i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2027</i>
4.2 Environmental Protection			
Requirement 4.2.4	MODIFIED	Management of environmental impacts (3.2.4 Core, Year 1), applicable to all traders except cotton FSI traders after ginning stage.	Strengthening of applicability of requirement from Voluntary Best Practice to Core compliance. Management of environmental impacts contributes to the implementation of risk assessment <i>Trader companies certified before 1 January 2025 have to comply with this requirement by 1 January 2026</i>