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Guiding Principles

FairTSA is driven by commitment to its mission and five governing principles for its decision-making processes.

Integration & Inclusiveness

- The FairTSA program was developed to allow all ISO 17065 certified organic certifiers into the program.
- Organic certification, if applicable, is an integral part of the program.
- FairTSA holds the standard and oversees the certification quality but does not certify itself.
- Instead, we cooperate with an international network of certification agencies and, in the context of our Community Development Program, with NGO's.
- We accept equivalency with other Fair Trade standards, after a gap analysis.

Service & Support

Cost and knowledge can be factors that exclude those who deserve Fair Trade certification the most. FairTSA works with a lean and efficient administration to keep the program accessible for small operations without needing consulting.

Focus is on maximizing the benefits to producer communities:

- Fair Trade includes a Community Development Fee administered by the operations for a great variety of projects. During annual inspections, the expenditures are audited.
- Requiring participation of representatives from different stakeholder groups in the project decision-making, including women and youths.

- Identifying local resources to enhance resourcefulness and creativity.
- Connecting Producers with Licensees to support selling and sourcing.
- Free Licensee and Producer Webinars.

<u>Accountability & Transparency</u>

Buying a Fair Trade product involves a Fair Trade price and a Social Premium. The Social Premium is paid directly to the operation and tracked by FairTSA. During the annual FairTSA inspection, an audit of the expense records at the operation is conducted.

All Community Development projects must submit an annual self-evaluation. This report is used by the FairTSA inspector for progress verification. It is also the basis for a FairTSA report provided to all partners in the supply chain.

Process Orientation & Empowerment

We base decisions not only on an operation's current situation, but we also have an eye on the possibilities for future developments. Our goal is to inspire continuous improvement of social and ecological conditions. We see ourselves as an instigator of social change to improve life in rural communities – according to <u>their</u> needs and wishes, not ours - if they do not contradict the guiding principles. Having the means and incentives for projects that allow self-determination within the group context can improve quality of life and counteract migration.

<u>Standard & Consideration of Context</u>

The FairTSA standard is embedded in our program and its mission. We continuously check our standard against others in the industry as well as the International Labor Organization Conventions, ISEAL Alliance recommendations, ISO 26000, the Nagoya Protocol, the Social Accountability Standard SA 8000 and the United Nations Agenda 2030 for Sustainability Goals. We have some standard requirements that constitute "killer criteria", such as forced labor or destruction of ecosystems. However, an international standard applied to all specific regional realities worldwide cannot do everybody justice and we train inspectors and certifiers to keep the spirit of the rule in mind, not just the literal wording. Occasionally, an operation clearly deserves certification even though their cultural environment does not lean itself to meeting every letter of the rule. Based on assessment, we will work with those operations, opening the door for mutual engagement between FairTSA and licensees to quickly improve the situation.