



INTRODUCTION

The 10 FTO principles do not cover Fair Trade retailing specifically. The process in WFTO for the development of a Fair Trade Retailer Standard started in 2006. Between 2006 and 2011, draft FT retail standards have been discussed at regional and global meetings. During the February 2012 Board meeting, the Board has adopted the final draft to be presented to the WFTO 2012 regional meetings and then to the AGM for approval. The Board has decided to propose Fair Trade Retailer minimum standards leaving it to the national Fair Trade platforms to develop more strict retailer standards for their own country in agreement with the WFTO Board. The reason is that in several countries there are already existing national Fair Trade retailer standards and it was difficult to come to an agreement to harmonize these standards. Following the feedbacks coming from WFTO regional meetings in 2012, the Board proposed the following standard document for discussion and final approval. Main issue to be decided was to choose if fairly traded products took up a minimum of 60% or 75% of the total turnover. The following is the final text, following the decisions taken by the 2013 AGM.

WFTO Fair Trade Retailer Standard

FAIR TRADE RETAILERS STANDARD (FTRS) Approved by the May 2013 AGM

Content:

- I. What is a Fair Trade shop?
- II. Conditions to use the Fair Trade Organization mark
- III. Criteria (fundamental, additional)

I - WHAT IS A SHOP?

- An open public trading place with regular hours of operation (it means a fixed place with fixed open days/hours) owned by a legal entity (WorldShops would be an example)
- On-line shops that fulfil the same criteria as WFTO retailers.
- A « shop in shop »¹ managed and owned by a WFTO member if the products / shelves are clearly identified as FT-products / shelves.
- Temporary booths or other sales outlets (which members may establish at conference, fairs, sidewalk sales, etc.).

¹ A Shop in Shop would only be acceptable if this Shop in Shop complies with the 4 fundamental criteria established in the FTRS, especially criteria 3 - education and advocacy.



II - CONDITIONS TO USE THE FAIR TRADE (RETAILER) ORGANIZATION MARK

1. WFTO membership or membership in a national Fair Trade Association recognized by WFTO, or if non-existing, be an associate of another organization recognized by WFTO until a national platform can be established, which has been entitled to use the mark.

A general monitoring system for retailers should be developed by WFTO and can be adapted to national requirements by a national platform. If changes to the general system are required, the national monitoring system has to be approved by WFTO global.

2. Compliance with WFTO FT principles and standards (with special attention to transparency, environment, working condition and trading practice principles) and with the FT Retailer Standards and criteria set by WFTO.

3. Acceptance of second-party control and compliance with specific self assessment process/procedures

III - CRITERIA

The WFTO criteria are divided into minimum requirement and additional criteria (or continental/national criteria). The minimum or fundamental criteria are “minimum standards” which have to be fulfilled by all retailers at the global level. “Additional Criteria” are optional criteria which WFTO Regions or WFTO recognised national FT network organisations can include if their existing retail standards are stricter than the WFTO minimum requirement.

FUNDAMENTAL CRITERIA

1. ACKNOWLEDGED FAIR TRADE PRODUCTS

A Fair Trade retailer sells fairly traded products. These products should be purchased from a registered Fair Trade Organization (organizational route, guaranteed and registered by WFTO, with organizational certification/label) **or certified as Fair Trade products** (product route, guaranteed by independent certification, such as the FLO certification/label with product label).

- Products produced by a WFTO member;
- Products sourced from a WFTO member: WFTO wholesaler (FTO accredited or provisional WFTO members). If the Producer is too small to join WFTO, then a WFTO member in good standing has the responsibility to evaluate the producer as meeting WFTO criteria;
- FLO or other FT labelled products which are certified;



- Products from FTO or small-scale producers, through WFTO members (this seems redundant and I believe is covered above).
- Products that are purchased from a FT wholesale organization that is externally monitored by an established national FT organization and proved to comply with the 10 WFTO standards for Fair Trade Organisations.

2. PERCENTAGE OF FAIR TRADE SALES

Fairly traded products take up the most important share of the retailer's turnover, more than 60%. National Fair Trade Retailer networks are free to decide on a higher percentage for their national market. All products sold by a Fair Trade retailer that can be fair must be fair.

A – Clear identification/differentiation of Fair Trade products

There has to be a clear separation and presentation of FT and other products. For the rest of the products in a FT Retailer there is a need for clear criteria, i.e. not just any product could be sold in a FT Retailer.

In all cases, Fair Trade products should be clearly identified and differentiated from others. Other products should be Alternative/Solidarity Economy related products (see the guidelines below).

We propose the following **guidelines for the non-FT products**:

- environmentally friendly
- local and small-scale producers
- social or solidarity economy (marginalized people/organizations in the “north”, not for profit status, according to legislation in the country)
- books, music and campaign and education material
- additional products and services (fair tourism, catering, ...) coherent to principles and compatible with the assortment (ex. coffee filters)
- clear and transparent communication of "non fair trade goods"

If a similar product is available from a Fair Trade supplier, a Fair Trade retailer should source and sell the Fair Trade product as opposed to a non-Fair Trade one.

3. EDUCATION AND ADVOCACY

The retailer informs the public about the aims of Fair Trade. FT retailers have to be engaged actively in awareness-raising and advocacy to improve the situation of producers, as well as to participate in campaigns to influence national and international policies which contributes to more social and environmental sustainability.

Definition:

- To have material and information on international trade (trade justice) and Fair Trade available for consumers, displayed in the shop



- To support and distribute campaign material related to trade justice
- To encourage active participation in the World Fair Trade Day
- Networking

4. CAPACITY-BUILDING

The Fair Trade retailer supports training required for its staff (paid or volunteers) about products, producers, Fair Trade and sales techniques.

5. WFTO FT STANDARDS, PRINCIPLES AND CODE OF PRACTICE

Fair Trade retailers have to comply also with all other standards which the WFTO has in place.

6. PROFITS AND INVESTMENTS

The Fair Trade retailer has a transparent accountancy. Part of the profit shall be used to develop and improve awareness for Fair Trade and create more sustainable markets for FT producers.

ADDITIONAL CRITERIA

Additional criteria can cover issues related to: trading practices, the environment, working conditions, profit and investments, and any other issues linked to Fair Trade principles. They can never be less strict than existing FT Retailer Standards or other WFTO Standards and Principles.