

APPLICATION POLICY

1. PURPOSE

This document outlines requirements for initial applications.

2. DEFINITIONS

A “**Producer**” is an organization that has been certified by FLOCERT as the original producer of Fairtrade Certified products.

A “**Licensee**” is a company that has signed a contract with Fairtrade Canada allowing them to put the Fairtrade International Mark on one or more products. Licensees pay licence fees based on volume. Unless you have signed a contract that specifically gives you permission to put the Fairtrade International Mark on a finished product then you are not a licensee.

A “**Pure Licensee**” is a Licensee that does not require certification, for example because they do not process or repackaging Fairtrade products.

A “**Pure Trader**” is any other company that is not a Producer, Licensee or Sub-licensee. Traders do not pay licence fees and are not allowed to put the Fairtrade International Mark on products. They may have a limited permission to use the Fairtrade International Mark on business cards and other such materials. Traders pay trader certification fees.

A “**Subcontractor**” is a company or person that provides a service related to the Fairtrade Certified products. Subcontractors do not at any time buy or sell Fairtrade Certified products, and therefore at no time takes legal ownership of Fairtrade Certified goods. Subcontractors also do not handle the payment of the Fairtrade Minimum Price and/ or Fairtrade Premium.

An “**Agent**” is a juristic or natural person who provides services to registered Fairtrade operators to facilitate trade. An agent does not, under any circumstances, buy or sell Fairtrade Certified products, and therefore at no time takes legal ownership of Fairtrade Certified goods. An agent also does not handle the payment of the Fairtrade Minimum Price and/or Fairtrade Premium.

3. WHO NEEDS TO APPLY

3.1 Certification Services (FLOCERT)

FLOCERT policies cover who must be certified. In general, every operator buying or selling Fairtrade Certified products up to the point where the product is in its final packaging and ready to sell to consumers must be certified. Certified means audited against Fairtrade Standards by FLOCERT, Fairtrade ANZ or Fairtrade Japan.

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Companies who trade in fresh fruit, bananas, fresh vegetables or flowers up to and including the importer in the Global North must be certified. Any company after the importer that is packaging or labelling the fruit must be certified.

3.2 Licensees (Fairtrade Canada)

All companies that will submit product packaging artwork to Fairtrade Canada should be a Licensee. In the case of private labels where the private label manufacturer is responsible to provide the product packaging artwork to Fairtrade Canada, the private label manufacturer should be the Licensee. Nevertheless, Fairtrade Canada reserves the right to determine which company will be the Licensee. This is normally done at time of application.

All potential Licensees located in Canada must be licensed by Fairtrade Canada.

All companies located outside Canada who wish to sell labelled finished Fairtrade Certified Products in Canada must be covered by a licence contract with another National Fairtrade Organisation (NFO) or Fairtrade International and a cross-border agreement signed between Fairtrade Canada and the Host NFO. In some cases, Fairtrade Canada may require a direct licence contract.

All Fairtrade Canada Licensees who wish to sell labelled finished Fairtrade Certified Products outside Canada must ask Fairtrade Canada to get permission for them from the Destination National Fairtrade Organization.

There is no application fee for Licensees, except in the case of Pure Licensees who have an application fee of \$600.

Fairtrade Canada reserves the right to charge \$100 for expedited Licensee applications.

3.2.1 Delegation of Licensees Responsibilities

With the consent of Fairtrade Canada, Licensees may delegate one or more of the following responsibilities to an upstream supplier:

- Submission of quarterly sales report,
- Licence fee payment.
- Submission of finished product artwork,
- Submission of recipes,
- Submissions of supply chain information,

Delegation is at the discretion of Fairtrade Canada and must be approved in Connect. The downstream Licensee is ultimately responsible if the delegated party fails to perform the task on their behalf.

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4. EVALUATION

Applications may be denied if in the opinion of Fairtrade Canada the applicant does not have the capacity to comply with Fairtrade International Standards or Fairtrade Canada Policies.

Fairtrade Canada may also deny an application if the applicant's behaviour or activity is not in line with the [Fairtrade International Organization Code](#). The decision is based on objective criteria, they apply equally to all applicants and are supported by evidence.

Fairtrade Canada may require a successful on-site audit before a licence is granted.

4.1 Reconsideration

There are no appeals of licensing application decisions. Application decisions can, however, be reconsidered.

Requests for reconsideration must be made in writing within 14 days of the decision and addressed to the person who rendered the decision, to license@fairtrade.ca or directly to the Executive Director.

5. SUBCONTRACTORS AND AGENTS

5.1 Subcontractors

Subcontractors, as defined above, do not need to apply to Fairtrade Canada for licensing or certification. However, companies using them must disclose them to FLOCERT.

5.2 Agents

Agents, as defined above, do not need to apply to Fairtrade Canada for licensing or certification. However, companies using them must disclose them to Fairtrade Canada and/or FLOCERT.

6. DISCONTINUATION OF APPLICATIONS

If the application does not proceed because the applicant does not submit missing information or fails to respond to Fairtrade Canada and more than 6 months has elapsed since the application process started, Fairtrade Canada may discontinue the application.

Once an application has been discontinued, if the applicant wishes to continue, a new application must be started from the beginning. All documents need to be resubmitted, a new invoice for the application fee, if any, will be issued and fees already paid cannot be taken into consideration.

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7. MAINTAINING LICENSING STATUS

Licensees are familiar with the Fairtrade International Organisation Code (Code of Ethics) and take appropriate steps to ensure compliance.

Licensees comply with all applicable laws and regulations relating to anti-bribery, anti-corruption and prevention of harm to children and vulnerable adults and ensures that they have appropriate policies and procedures in place to implement these legal requirements and enforce them where appropriate.

8. REAPPLICATION AFTER DECERTIFICATION

In general, where operators that have been decertified for failing to meet Fairtrade Standards, Fairtrade Canada may require that the operator is not permitted to reapply for Canada up to one year after de-certification.

Although companies may reapply after the respective time period, there is no guarantee that the application will be accepted. Fairtrade Canada will evaluate each application to verify if the operator complies with Fairtrade Standards. Where there has been a serious non-compliance this will generally require an on-site audit before recertification. The cost of the audit must be covered by the applicant.