



FAIRTRADE LABELLING ORGANIZATIONS INTERNATIONAL

FAIRTRADE STANDARDS

FOR

Tea

FOR

Small Producers' Organizations

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Superseded previous versions:

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Period for stakeholders' comments and enquiries on this new version:

Not applicable

Contact for comments:

standards@fairtrade.net

For further information and standards downloads:

www.fairtrade.net/standards.html

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Fairtrade Labelling Organizations International (FLO)

Bonner Talweg 177, 53129 Bonn, Germany

Tel. +49-228- 94.92.30, Fax: +49- 228- 242.17.13, email: info@fairtrade.net, www.fairtrade.net

PART A Generic Fairtrade Standards for Small Producers' Organizations
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Refer to the generic standard for Small Producers' Organizations as a separate document as updated by FLO on its website. Note that the following parts B and C are only applicable in connection with the generic standard.

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The product specific standards for tea apply to the following types of tea:

- Tea from the *Camellia* plant
- Herbal teas (Rooibos, Camomile, Mint, Hibiscus)

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PART B Product Specific Standards for Tea

The product specific standards for tea apply to the following types of tea:

- Tea from the *Camellia* plant
- Herbal teas (Rooibos, Camomile, Mint, Hibiscus)

1 Social Development

There are no additional social standards specific to tea producers.

2 Economic Development

There are no additional economic standards specific to tea producers.

3 Environmental Development

There are no additional environmental standards specific to tea producers.

PART C Trade Standards for Tea

1. Product Description

Tea means all forms of tea for which a Fairtrade price exists.

2. Scope

These standards cover the purchase and sale of tea.

For the sections under certification and traceability (only), the standards also cover any processed products and derivatives.

3. Certification

There are no additional requirements.

4. Traceability

During the first year of application of this standard further research will ascertain whether or to what degree the principle of physical traceability is achievable.

Until a decision is taken on the outcome of this research, operators are exempt from physical traceability requirements. Requirements on traceability through documentation must still be complied with.

5. Contracts

There are no additional requirements.

6. Sustaining Trade

Sourcing plans must cover a quarterly period. Sourcing plans must be renewed a minimum of two weeks before they expire.

For tea from the *Camellia* plant:

Where Fairtrade tea is sold through auctions, such sales shall be subject to conditions supporting greater transparency, better communication and faster payment of the Fairtrade Premium and Fairtrade Minimum Price where this applies.

This will be achieved through the application of the following conditions:

- The buyer communicates to the producer their intention to buy at auction using a Quarterly Sourcing Plan.
- Within one week of the auction the buyer reports comprehensive information relating to the sale to the producer, including an indication of all outstanding Fairtrade-related payments.
- All outstanding Fairtrade-related payments must be made on a regular quarterly basis.

All purchases of tea to be sold with the Fairtrade label must be declared as Fairtrade at the time of purchase.

7. Pre-finance

On request from the producer, the Fairtrade payer must make up to 60% of the value of the contract available as pre-finance to the producer at any time after signing the contract. The pre-finance must be made available at least six weeks prior to shipment.

8. Pricing

Fairtrade Minimum Prices and Fairtrade Premium levels for Fairtrade products are published separately to the product standards.

For tea from the *Camellia* plant from India, the geographical regions are defined as follows:

- **‘North India’** refers to teas grown in Assam, West Bengal, Tripura, Bihar, Uttaranchal, Himachal Pradesh, Manipur, Sikkim, Arunachal Pradesh, Nagaland, Meghalaya, Mizoram, Orissa states, with the exception of Darjeeling teas.
- **‘South India’** refers to teas grown in Kerala, Tamil Nadu and Karnataka states, with the exception of Nilgiri teas.
- **‘Nilgiri’** refers to teas of that name, grown in the Nilgiris mountains of Kerala and Tamil Nadu at altitudes broadly ranging between 1000-2500m.

For all organic teas from the *Camellia* plant and for conventional teas from the *Camellia* plant made using the orthodox production method (except fannings and dust), no Fairtrade Minimum Price exists. The paid price is a negotiated price between the seller and the buyer. On top of the negotiated price the Fairtrade Premium must be paid.

For conventional teas from the *Camellia* plant made using the CTC production method, and for conventional fannings and dust made using the orthodox production method only, USD **0.10** per kg will be deducted by the buyer from each Fairtrade Premium payment. This amount will be paid directly to the producer, and must be used to support improvements in working conditions as part of ongoing certification and compliance with Fairtrade standards.

Payment terms

Payment shall be **net cash** against a full set of documents on first presentation. The documents to be presented will be those stipulated in the contract and customary in the tea trade.

Late payment

For contracts involving Fairtrade payers and producers, payment must be made according to the international customary conditions, and no later than 15 days after the receipt of the documents transferring ownership.

For contracts involving Fairtrade payers, producers and conveyors, conveyors must pay producers no later than 15 days after receipt of the payment from the Fairtrade payer.

9. Other product requirements

There are no additional requirements.