

Licensing - Standard Operating Procedure

Contents

1. Purpose of this Document	2
2. Applicability	2
2.1 Terminology	2
3. General Roles and Responsibilities	2
3.1 Licensing Data	3
4. Licensee Applications.....	4
4.1 Request for Initial Application.....	4
4.1.1 Joint FLOCERT Application (needs certification)	4
4.1.2 Applicant Already Certified.....	5
4.1.3 Pure Licensee Application.....	5
4.2 Application Denial	6
4.3 Reconsideration	6
4.4 Processing License Contract	6
5. License Withdrawal	7
5.1 Recording License Withdrawals.....	8
6. Product Applications.....	8
6.1 Ingredients	9
6.1.1 Ingredient References.....	9
6.1.2 Ingredient Supply Chain.....	10
6.1.3 Ingredient Recipe.....	10
6.2 Finished Products	10
6.2.1 Product References	10
6.2.2 Product Recipes.....	11
6.2.3 Product Packaging.....	11
6.2.4 Product Licensing Details.....	13
6.2.5 Product Visibility.....	13
6.2.6 Product Distribution.....	14
6.3 Fairtrade Sourced Ingredients (FSI).....	14
6.3.1 FSI Commitment Plan.....	14
6.3.2 FSI Claims	14
7. Sales Reporting and License Fees ATCB and FSI	15
7.1 Sales Reporting Format	15
7.2 Quarterly Sales Reports.....	15
7.3 Reviewing Reports	15
7.4 Invoicing License Fees.....	15
7.4.1 Cross Border Sales and Fees.....	15
8. Exceptions.....	16
9. Delegation of Licensing Responsibilities	16
10. Fairtrade International.....	16
10.1 Licensing Body Status.....	17
10.2 New or Changed Standards.....	17

10.3	Standards Interpretation.....	17
10.4	Changes to the Fairtrade Mark.....	17
10.5	Mark Use Guidelines Interpretation.....	17
10.6	Fairtrade Mark Registration.....	17
11.	Misuse of the Mark	18
11.1	European Union Certification Mark Regulations	18
12.	Complaints.....	18
13.	Allegations	18
14.	Confidentiality	18
15.	Impartiality	18
16.	Staff Qualifications and Competencies	18
17.	Staff Evaluation and Training.....	19
18.	Language.....	19
19.	Reporting to Fairtrade International	19
19.1	Information.....	19
19.2	Quality System Documents.....	20
20.	APPENDIX 1 – Application Process	22

1. Purpose of this Document

The purpose of this document is to describe how applications, evaluations, and licensing decisions under the Fairtrade Standards and Fairtrade Mark Use Guidelines are handled for Fairtrade licensees.

2. Applicability

This Standard Operating Procedure applies to all Fairtrade Canada staff engaged in Licensing.

Fairtrade Canada’s policies and procedures are non-discriminatory. Procedures are not used to impede or inhibit access to applicants without due justification.

2.1 Terminology

Fairtrade Canada uses Fairtrade International’s terminology for licensing activities in all public communications. The FLOCERT Glossary is found at <https://www.flocert.net/fairtrade-terminology/>

3. General Roles and Responsibilities

Fairtrade Canada is responsible for licensees located in Canada and is responsible and accountable for all decisions issued under its authority regarding granting, or withdrawing Licenses and approvals.

Fairtrade also licenses a limited number of licensees located in the United States that sell into Canada but do **not** sell in the United States. This licensing is done with the knowledge and consent of the relevant NFO.

The Business Development Director sends out the application package and collects the information from the applicant.

Once an applicant is accepted as described below a license contract is sent to the applicant by the Licensing Manager.

The Licensing Manager decides application approvals.

If an applicant requests a reconsideration of an application denial, the reconsideration is handled by the Executive Director.

The Licensing Manager decides product application approvals.

The Director of Commercial Relations supervises the Licensing Manager.

The Senior Advisor Data and Quality Management develops policies, requirements and evaluations for the licensing activities which are approved by the Executive Director. The Senior Advisor Data and Quality Management consults with the Director of Commercial Relations in the development of policies and process documents.

In this document Licensing staff refers to the Licensing Manager and the Director of Commercial Relations.

Staff from the Commercial Relations and Business Development departments may be trained to act as a replacement for the Licensing Manager for holidays and other absences.

3.1 Licensing Data

The Fairtrade Product Registration System is Fairtrade CONNECT “Connect”.

Connect is used to record all core Licensing data regarding Licensee organisations, their finished products and the ingredients used.

Approval decisions are communicated to the Licensee in text form through automatic notification from Connect. Where this is not possible Licensees are informed by email.

When the licensing information cannot be entered into Connect or product approval is not possible due to the technical limitation of Connect, Licensing Manager informs Fairtrade International and ICC Support and the Licensing Manager stores the information securely in a Fairtrade Canada system.

FLOCERT certification data is stored in ECERT.

4. Licensee Applications

Fairtrade Canada does not discriminate between organisations and all parties are welcome to apply. No application for licensing shall be denied except as provided for in the Fairtrade Standards, Fairtrade Canada Application Policy or other such relevant and public documents.

The application process is summarised in a flowchart in APPENDIX 1.

4.1 Request for Initial Application

The Business Development Director determines whether the proposed products are covered by Fairtrade Standards generally. The Business Development Director also determines whether the organisation needs to be certified and whether they should be licensed. It may be appropriate that another actor in the supply chain should be the licensee. This is set out in the FC Analysis Certification and Licensing Manual.

If appropriate the Business Development Director will provide the operator with an application package.

If the operator requires certification they are sent the joint Fairtrade Canada – FLOCERT application package. In general, an applicant needs certification if they process or repackage Fairtrade products, or if they sell unfinished Fairtrade products.

If the operator does not require certification or they are already certified, then they are sent the Fairtrade Canada Pure Licensee application package.

See also the Fairtrade Canada Application Policy.

The application package shall include an application form and the materials necessary for the applicant to know the requirements of Fairtrade Licensing.

The applicant shall submit to Fairtrade Canada an application form signed by a duly authorised representative of the applicant.

4.1.1 Joint FLOCERT Application (needs certification)

Once Fairtrade Canada has reviewed the application and has confirmed:

- payment of FLOCERT application fee,
- product category scope is covered by Fairtrade Standards,
- proposed finished products, if any, meet Fairtrade Standards and Mark Use Guidelines,
- the applicant's activities are in line with the Fairtrade International Organisation Code. and;
- certifiability of the proposed supply chain,

then the application package is forwarded to FLOCERT.

FLOCERT does its own review and then sends the applicant a Permission to Trade with cc to Fairtrade Canada Licensing Manager. Once the Permission to Trade has been issued and the Permissions to Trade covers the relevant product area, the Licensing Manager sends a licence contract to the applicant which is already signed by Fairtrade Canada.

If FLOCERT denies certification, Fairtrade Canada denies the Licensing application, unless upon further analysis they are eligible to apply as a Pure Licensee.

4.1.2 Applicant Already Certified

The Business Development Director checks the FLOCERT ECERT database to confirm that the applicant is already certified by FLOCERT.

If so, once Fairtrade Canada has reviewed the application and has confirmed:

- payment of Fairtrade Canada application fee (if applicable),
- product category scope is covered by Fairtrade Standards,
- proposed finished products, if any, meet Fairtrade Standards and Mark Use Guidelines,
- FLOCERT certificate covers the products to be licensed,
- the applicant's activities are in line with the Fairtrade International Organisation Code, and;
- The certifiability of the proposed supply chain,

then the Licensing Manager sends a licence contract to the applicant which is already signed by Fairtrade Canada.

However, if the FLOCERT certificate, as indicated in ECERT, does NOT cover the products to be licensed, then the application package is forwarded to FLOCERT. FLOCERT does its own review and then confirms that the operator will be certified for the new product areas with cc to Fairtrade Canada Licensing Manager. The Licensing Manager then sends a licence contract to the applicant which is already signed by Fairtrade Canada.

4.1.3 Pure Licensee Application

Once Fairtrade Canada has reviewed the application and has confirmed:

- the payment of Fairtrade Canada application fee if applicable,
- verification that the applicant does not need certification,
- product category scope is covered by Fairtrade Standards,
- proposed finished products, if any, meet Fairtrade Standards and Mark Use Guidelines,
- that the product can be licensed,
- the applicant's activities are in line with the Fairtrade International Organisation Code, and;
- The certifiability of the earlier steps in the supply chain,

then the Licensing Manager sends a licence contract to the applicant which is already signed by Fairtrade Canada.

4.2 Application Denial

If any of the conditions outlined above and in the Fairtrade Canada Application Policy are not met, then application is denied. The Licensing Manager informs the applicant in writing why the application was denied and informs them of the reconsideration procedure and the complaints policy. Fairtrade Canada also informs all other other Fairtrade Licensing Bodies.

4.3 Reconsideration

There are no appeals of licensing application decisions, however applicants can ask for a reconsideration within 14 days of the denial. Fairtrade Canada acknowledges all requests within 2 days of receipt.

Reconsideration of licensing decisions are handled by the Executive Director who will review all the relevant evidence, Standards and Policies. The Executive Director, or her delegate, provides the applicant with a written response within 15 working days.

Fairtrade Canada Body informs the applicant and all other relevant stakeholders within the Fairtrade system about the reconsideration decision. A written record of all reconsiderations is kept.

If the reconsideration is successful Fairtrade Canada also informs all other other Fairtrade Licensing Bodies.

4.4 Processing License Contract

Once the signed License Contract is received from the applicant, the Licensing Manager informs FLOCERT ECERT of the new Licensee. If the new Licensee is a Pure Licensee, then Fairtrade Canada provides FLOCERT with the Licensees contact details.

The Licensing Manager updates Salesforce:

- Company name
- Address and company contact details
- Licensing status (Licensee – Certified, Pure Licensee, Trader)
- Start Date
- Personnel Contact data
- Certifier (e.g. FLOCERT)
- FLO ID

Once Connect has automatically created a Licensee account based on information from ECERT the Licensing Manager also updates Connect:

- Licensee Account details
 - Licensee Accounting Code / ID
 - Connect role (e.g. Licensee, Manufacturer, Intermediate Processor etc.)

- User Settings
 - User names and Contact details
 - Connect Login ID and Password
 - Identify Primary Contact

- Licensing Contract details
 - Licensing Type ATCB or FSI, FCC, Textile Standard
 - Product Areas generally
 - Start Date

- Reporting details
 - License and other Fees
 - Reporting cycle
 - Reporting units

The Licensing Manager provides Connect login details and Connect information to the relevant Licensee staff.

The Licensing Manager ensures that the applicant has a copy of the License contract signed by both parties.

Pure Licensees are sent a “Registered Licensee” document. This confirms they are licensed and is valid even if there are no currently products approved.

FLOCERT ECERT is informed of the new Licensees and of any delicensed Licensees.

5. License Withdrawal

Fairtrade Canada reserves the right to terminate the License Contract where the Licensee has misused the Fairtrade Mark and has not taken corrective action.

Fairtrade Canada will also terminate the license contract for cause with immediate effect in the following cases:

- In the case licensee, becomes decertified (or its permission trade is withdrawn)
- In the case licensee engages in dishonest trading practices or any activity that reduces or diminishes the reputation, image and prestige of the FAIRTRADE Certification Mark
- In the case licensee engages in advertising, marketing and promotion activity in connection to non-Fairtrade Products which suggests to the consumer that these products meet the Fairtrade Standards

Fairtrade Canada will also terminate the license contract for cause in the following cases:

- In the case of non-payment of licensee fees, after several reminders and reasonable amount of time,

- In the case of non-reporting of sales data fees, after several reminders and reasonable amount of time,
- In the case of any material breach of the Fairtrade Mark Guidelines for the use of the Certification Mark or the Fairtrade Standards that is not corrected.

Upon termination of the license contract, the licensee must cease all use of the Certification Mark on and in relation to all packaging and promotional material, as defined in the license agreement.

If the license contract is terminated for dishonest or misleading practices or material breach of the Fairtrade Standards, then Fairtrade Canada informs FLOCERT and asks them to review the certificate or permission to trade.

If the license contract is not terminated for cause then the operator must decide whether they wish to be a Pure Trader, that is a non-licensee certified operator.

The Licensing Manager decides on License Withdrawals cases in consultation with the Director of Commercial Relations.

5.1 Recording License Withdrawals

For all license withdrawals the Licensee is formally informed by email and FLOCERT is informed that the license has been withdrawn for the Licensee.

The Licensing Manager updates Salesforce:

- Licensing status (Delicensed)
- End Date
- Attaches license withdrawal email to Salesforce

The Licensing Manager updates Connect:

- Contract termination date entered
- License status set to “NOT LICENSED”
- License role removed from Licensee’s Account
- Licensee’s finished products are discontinued
- Licensee’s ingredients are discontinued
- All Connect logins are disabled for the Licensee

6. Product Applications

All product composition must conform with Fairtrade Trader Standards, relevant Product Standards as well as Fairtrade Canada Policies.

All product packaging must conform with Fairtrade Mark Use Guidelines.

All Licensees enter and update details of their Fairtrade finished products and the Fairtrade ingredients they use in Connect. Licensees are provided a login to Connect for all staff who will use the system.

All new Licensees are given a basic training in Connect and are asked to contact their product Account Manager when they are ready to enter their first product into Connect.

A series of Licensee “How to Manuals” are provided which cover the details of all relevant areas of Connect.

For more information, please consult the Fairtrade Canada Reporting and Product Approval Policy.

6.1 Ingredients

6.1.1 Ingredient References

In the Connect Sourcing 01 References tab Licensees enter the following information:

- Ingredient name
- Ingredient category
- Fairtrade status (Fairtrade or not Fairtrade)
- Organic status
- An ingredient reference number / identifier
- Physical Traceability Status
- Whether the product is claimed to be from a specific origin
- Whether the ingredient is Discontinued (if applicable)

For tea, cocoa, juices and sugar physical traceability can only be set to “Yes” if FLOCERT’s ECERT certification database indicates that the operator has opted to be audited for voluntary physical traceability.

Fairtrade Canada also checks that physical traceability for composite ingredients, intermediate products and finished products is only set to “Yes” if all ingredients have physical traceability.

If the ingredient is indicated as not Fairtrade but there is a Fairtrade Standard for the ingredient, then Connect automatically prompts the Licensee to request an exception.

The Licensee either switches to a Fairtrade supplier or requests a food composite product ingredient exception. Where the ingredient is a composite purchased from another party, Fairtrade Canada can grant an exception for the ingredient as a whole, however cannot grant exceptions for specific ingredients within the composite. Exceptions for specific ingredients within a purchased composite are granted by FLOCERT or other Fairtrade Assurance provider.

The exception request is reviewed by the Licensing Manager or the Exceptions Committee (e.g. transitioning ingredient, provenance) as appropriate. If the grounds for an exception as set out in the Trader Standard and Fairtrade International Exceptions policy are met, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has entered all relevant information Licensing staff review and either “Approve” or “Decline” the References section.

6.1.2 Ingredient Supply Chain

In the Connect Sourcing 02 Supply tab Licensees enter the following information:

- Immediate supplier (mandatory)
- The rest of the supply chain back to the producer (optional, and only if necessary)

Where ever possible Licensees are asked to link the ingredient to their supplier’s Connect record for the ingredient. Licensing staff normally assist the Licensee with this process. In this way it is not necessary to enter the whole supply chain in the ingredient record and all relevant supply chains are automatically updated if each element in the supply chain keeps their Connect Sourcing 02 Supply tab up to date.

Whenever possible Fairtrade Canada verifies the whole supply through ECERT for plausibility, but at least the immediate supplier. In addition, Connect automatically checks that the supply chain that has been entered is certified for the relevant product category and Fairtrade function, for example Producer or Price and Premium Payer.

Once the Licensee has entered all relevant information Licensing staff review and either “Approve” or “Decline” this section.

6.1.3 Ingredient Recipe

If the Licensee’s ingredient is linked to their supplier’s Connect record for the ingredient, then the Connect Sourcing 01 Recipe tab will be automatically completed with the recipe.

Otherwise Licensees enter the recipe into the Connect Sourcing 02 Recipe tab if it is a composite ingredient.

Once the Licensee has entered all relevant information Licensing staff review and verify the recipe and either “Approve” or “Decline” this section.

6.2 Finished Products

6.2.1 Product References

In the Connect Product 01 References tab Licensees enter the following information:

- Product name
- Product category
- Brand

- At least one unique product reference number / identifier / barcode
- Organic status
- Details of product variants (optional)

Once the Licensee has entered all relevant information Licensing staff review and verify the product information and either “Approve” or “Decline” this section.

6.2.2 Product Recipes

In the Connect Product 02 Recipe tab Licensees enter the following information:

- Product Manufacturer
- Physical Traceability Status
- Recipe Confidentiality
- Product Composition, i.e. Recipe.

The licensee enters the ingredient and their percentages in the product recipe. Ingredient totals must add up to 100% within the tolerances dictated by Connect.

For tea, cocoa, juices and sugar physical traceability can only be set to “Yes” if FLOCERT’s ECERT certification database indicates that the operator has opted to be audited for voluntary physical traceability.

Connect automatically calculates the percentage Fairtrade content and prompts the Licensee to request a minimum Fairtrade content exception if the product does not meet Fairtrade Trader Standard. The exception request is reviewed by the Licensing Manager. If the grounds for an exception as set out in the Trader Standard and Fairtrade International Exceptions policy are met, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has entered all relevant information Licensing staff review and verify the recipe and either “Approve” or “Decline” this section.

6.2.3 Product Packaging

In the Connect Product 03 Packaging tab Licensees enter the following information:

- Container Type
- Consumer Pack Size
- Packaging Artwork(s)

When the packaging artwork has been uploaded the Licensing Manager reviews it using the Connect checklist, and in particular the Licensing Manager reviews all Fairtrade claims against the Fairtrade Mark Use Guidelines.

The Licensing Manager indicates in the Connect packaging review checklist any areas that are not compliant and the Licensee either submits corrected artwork or requests an exception in Connect.

The exception request is reviewed by the Licensing Manager and the Fairtrade International Brand Integrity and Strategy Committee. If the grounds for an exception as set out in the Mark Use Guidelines and Fairtrade International Exceptions policy are met and approved by Fairtrade International or the Brand Integrity and Strategy Committee, then the Licensing Manager records the basis for the exception in Connect.

Once the Licensee has entered all relevant information Licensing staff review and verify the packaging and either “Approve” or “Decline” this section.

6.2.3.1 Origin Claims

Where a license refers to a country of origin or producer specifically in the Fairtrade claim then Fairtrade Canada verifies the supply chain back to the producer in ECERT or by collecting information from the Licensee, wherever possible, and verifies the origin claim for plausibility in ECERT.

6.2.3.2 Producer Benefits

Where communication about the benefits to the producers or Fairtrade Premium use have been made Fairtrade Canada asks the licensee to provide the source of verify that the information used, e.g. premium development plan or COD Impact data, and Fairtrade Canada verifies that the information and communication is accurate, up-to-date at the time of printing and substantiated.

In case of Mass Balance, communication about the benefits in a specific country on Packaging is possible providing that no reference to the physical traceability of the ingredient in the product is made.

6.2.3.3 Fresh Produce

The Licensing Manager checks that the approved artwork was provided by the Licensee to the producer or exporter and attach the letter or email proving this is attached as a document to the packaging artwork upload in Connect.

6.2.3.4 Communication Material

The Licensing Manager asks Licensees to forward all Fairtrade communication and promotional materials to artwork@fairtrade.ca

The Licensing Manager reviews the materials using the Fairtrade Communications Materials checklist to verify that they meet requirements of the Trader Standard and Fairtrade Mark Use Guidelines.

The Licensing Manager informs the Licensee of any areas that are not compliant and the Licensee either submits corrected communications materials or requests an exception.

The exception request is reviewed by the Licensing Manager and the Fairtrade International Brand Integrity and Strategy Committee. If the exception is approved by Fairtrade

International or the Brand Integrity and Strategy Committee, then the Licensing Manager records the basis for the exception in the Licensee's folder on the fileserver.

Once the Licensee has provided all relevant information Licensing staff review the communications materials and either "Approve" or "Decline".

6.2.4 Product Licensing Details

In the Connect Product 04 Licensing tab Licensees enter the following information:

- Launch / Start Date
- End of Availability (if applicable)
- License Holder
- License Fee Payer
- License Fee Reporter

The Licensing Manager confirms that Connect has assigned the correct licensing fee.

Once the Licensee has entered all the above information Licensing staff review and either "Approve" or "Decline" this section.

6.2.4.1 Country(s) of Sale

The Licensee enters all the Country(s) where they intend to sell the product.

The Licensing Manager "Approves" or "Declines" the sale of the product into Canada. Sales to Canada would only be declined if there was problem with the product in one of the other sections.

The relevant destination Licensing Body "Approves" or "Declines" the sale of the product into the country(s) they cover.

Similarly, Licensees of other Licensing Bodies may enter Canada as a country of sale. The Fairtrade Canada Licensing Manager reviews cross border sales (CBS) into Canada and if appropriate "Approves" the sale. If Fairtrade Canada wishes to "Decline" a cross border sale into Canada they consult with the Home NFO. Otherwise cross border sales are automatically Approved in Connect after 5 days.

6.2.5 Product Visibility

In the Connect Product 05 Visibility tab Licensees may optionally enter the following information:

- Whether they wish the product to be published in any Fairtrade Product Finders
- Pack Shot
- Product confidentiality / findability within Connect

At present Fairtrade Canada does not have a Fairtrade Product Finder.

If the Licensee has entered the above information Licensing staff review and either “Approve” or “Decline” this section.

6.2.6 Product Distribution

In the Connect Product 05 Distribution tab Licensees may optionally enter the following information:

- The percentage of Out of Home or Retail for the product.
- Distributors of the finished product

If the Licensee has entered the above information Licensing staff review and either “Approve” or “Decline” this section.

If the product is an intermediate product, for example and composite inclusion in another product, then the Licensee can indicate the Licensees who are a customer of this intermediate product.

6.3 Fairtrade Sourced Ingredients (FSI)

This section outlines additional processes that are specific to FSI.

The general application and product approval process applies to Fairtrade Sourced Ingredients with the following variations.

6.3.1 FSI Commitment Plan

All new FSI licensees pay regular (all that can be ATCB) license fees.

For very large volume FSI Licensees Fairtrade Canada reserves the right to require the Licensee to sign a FSI commitment plan that covers at least three years. This plan is reviewed once a year with the Licensee to compare committed volumes with actual volumes. If necessary, the commitment plan is updated to cover at least three years hence.

Fairtrade Canada is phasing out FSI Commitment Plans for current FSI licensees and going forward FSI Licensees will pay normal ATCB license fees. Negotiations are under way with current FSI Licensees and conversion is expected to be completed in 2021.

6.3.2 FSI Claims

Volumes of ingredients sourced as Fairtrade by the Licensee or its suppliers (as applicable) are verified by reviewing purchase documentation before the proposed FSI claims are published.

Volumes agreed between Licensee and Licensing Body can be communicated and approved before verification only in accordance with the relevant FAIRTRADE Mark guidelines.

Fairtrade Canada ensures that approval that the proposed communication of claims complies with the requirements of the relevant FAIRTRADE Mark Guidelines or any variation approved by Fairtrade International or the Brand Integrity and Strategy Committee.

7. Sales Reporting and License Fees ATCB and FSI

7.1 Sales Reporting Format

Unless otherwise provided by Fairtrade Canada, licensees shall report sales of finished product by SKU, country of sale and calendar quarter as well as any other information that is required in order to calculate the license fees.

All reporting is done through Connect.

For more information, please consult the Fairtrade Canada Reporting and Product Approval Policy.

7.2 Quarterly Sales Reports

Every calendar quarter the Licensing Manager creates reports for all reporting Licensees and sends out a series of reminders:

- Quarter has ended and reports are available to be completed
- Reminder 7 days before reporting deadline
- Reminder that reporting deadline has passed
- Warning of deregistration
- Deregistration

7.3 Reviewing Reports

The Licensing Manager reviews submitted sales reports for correctness and completeness and marks the report as Incomplete if necessary. Once the report is correct and complete it is Approved.

7.4 Invoicing License Fees

The Licensing Manager prepares an invoice request which is sent to Finance. Fairtrade Canada plans to have this automated in Fairtrade Connect.

Finance enters the invoice in the accounts, sends the invoice to the licensee and follows up on payment.

7.4.1 Cross Border Sales and Fees

Once all or substantially all of the reports have been invoiced for a quarter, Finance provides details of sales by Fairtrade Canada licensees to other countries, including volumes and

license fee information, to the Licensing Bodies responsible for those countries. The other Licensing Bodies then invoice Fairtrade Canada. This will be automated in Fairtrade Connect as other NFOs opt in to CBS in Fairtrade Connect.

Each quarter Finance receives details of sales by licensees in other countries into Canada, including volumes and license fee information. Fairtrade Canada then invoices the Licensing Bodies where the Licensee is licensed.

8. Exceptions

All exceptions are approved by the Licensing Manager and where appropriate the relevant Fairtrade International body.

All Fairtrade composite product ingredient exceptions are recorded in Connect.

All Fairtrade product packaging exceptions are recorded in Connect.

All Minimum Fairtrade content exceptions are recorded in Connect.

All required exceptions are reported to the Fairtrade International Assurance Manager as part of the normal annual cycle.

9. Delegation of Licensing Responsibilities

Licensees may request delegation of one or more of the following responsibilities to another Fairtrade certified operator (the Delegate), normally their supplier or manufacturer.

- Payment of the Licensee Fees
- Report Quarterly Sales
- Submission of Packaging Artwork
- Submission of Recipe and Supply Chain information

If approved the Licensee acknowledges that the Licensee is ultimately responsible for these obligations under its License Contact and if the Delegate fails to perform these actions, then Fairtrade Canada may require the Licensee to fulfill these obligations.

If Fairtrade Canada approves the requested delegation the two parties must sign a Licensee Delegation Agreement which outlines exactly which tasks are delegated and for which specific products. Fairtrade Canada then updates Connect to reflect these delegations.

10. Fairtrade International

The Licensing Manager shall inform Fairtrade International of all operator licensing status changes by sending them to FLOCERT who will update ECERT. This will be done within 7 days of the licensing decision.

10.1 Licensing Body Status

If Fairtrade International withdraws Fairtrade Canada's licensing body status, then Fairtrade Canada will not sign new licensing contracts.

10.2 New or Changed Standards

The Director of Commercial Relations monitors changes to Fairtrade Standards and keeps licensees informed of these changes. The Director of Commercial Relation is responsible to ensure that when a new standard has been adopted by Fairtrade Canada it will be implemented as per the timelines outlined in the Standard.

All communication about changes in the standards or guidance or interpretation, or information about upcoming reviews can be found on Fairtrade International's website.

<https://www.fairtrade.net/standard/announcements>

10.3 Standards Interpretation

If necessary Fairtrade Canada asks Fairtrade International's Standards Unit for advice on how a Standard is interpreted.

10.4 Changes to the Fairtrade Mark

Fairtrade Canada does not make any changes to the Fairtrade Mark or the Fairtrade Claims without consulting and getting the approval of the Brand Integrity and Strategy Committee or Fairtrade International.

10.5 Mark Use Guidelines Interpretation

If necessary Fairtrade Canada asks the Fairtrade Brand Integrity and Strategy Committee or Fairtrade International on how a Mark Use Guideline is interpreted.

At least once a year Fairtrade Canada provides the Fairtrade Brand Integrity and Strategy Committee or Fairtrade International with a copy of the Fairtrade Canada Mark Use Internal Manual.

10.6 Fairtrade Mark Registration

Fairtrade International is the owner of the FAIRTRADE Marks and Fairtrade Canada does not register the FAIRTRADE Marks (or any part of them) in any country as a trademark or to otherwise seek protection for the designations and logos. Nor does Fairtrade Canada apply for or register any designations that are identical or confusingly similar to the FAIRTRADE Marks.

11. Misuse of the Mark

Fairtrade Canada protects the integrity of the Fairtrade Marks by guarding it against misuse and false claim, and reports all information and cases of misuse to Fairtrade International. This process is outlined in the FC Fairtrade Mark Control SOP.

After giving fair warning Fairtrade Canada may take legal action in cases of misuse of the Fairtrade Marks and upon the written consent of Fairtrade International.

11.1 European Union Certification Mark Regulations

Fairtrade Canada ensures that if a Licensee falls within the legal scope of one of the EU-Certification Mark Regulations it does not allow Licensees to deviate from the relevant EU-Certification Mark Regulations.

12. Complaints

Complaints are covered by the Fairtrade Canada Complaints Policy.

13. Allegations

Allegations are covered by the Fairtrade Canada Allegations Policy.

14. Confidentiality

Confidentiality guidelines are outlined in the Fairtrade Canada Confidentiality Policy.

15. Impartiality

All licensing activities shall be undertaken impartially and shall not allow commercial, financial or other pressures compromise impartiality. Please refer to the Fairtrade Canada Impartiality Policy.

All licensing staff must understand and declare in writing conflicts of interest, if any, as outlined in the FC Impartiality and Conflicts of Interest Manual.

Fairtrade Canada refers to the Oversight Committee for resolution of cases of Impartiality or conflict of interests, when there is doubt or debate.

16. Staff Qualifications and Competencies

The following qualification criteria apply to Licensing staff.

Area	Criteria
------	----------

Work experience	At least one year of work experience in a field related to the content of the standard being evaluated or in licensing of other schemes.
Fairtrade system training	Have received training on all relevant Fairtrade standards and policies from the licensing body.
Language skills	Is fluent in either French or English and has at least basic proficiency in the other language. Proficiency in the second language shall improve gradually until there is substantial fluency.
Communication	Able to express ideas and concepts clearly; Able to express findings in written reports clearly and concisely.
	Able to communicate orally and in written form with business senior management and employees in order to elicit information relevant to licensing.
	Has experience in customer-facing work and is able to provide positive customer service.

17. Staff Evaluation and Training

Fairtrade Canada shall verify that qualification criteria have been met prior to engaging an individual as licensing personnel, and shall periodically assess whether competency criteria have been met including periodic on-the-job evaluation. Fairtrade Canada organizes periodic training and calibration program of licensing personnel.

Where is it not possible to fill a position with a person with at least one year of relevant work experience, then Fairtrade Canada informs the Assurance Manager of Fairtrade International and requests a variation.

18. Language

Fairtrade Canada provides licensing services to operators in French and English

19. Reporting to Fairtrade International

19.1 Information

The following information is sent to Fairtrade International periodically in the form and method defined by Fairtrade International:

- The names of all organisations to which Fairtrade Canada grants a license.
- A list of products to which Fairtrade Canada grants a license.

- The list of licensed products is obtained from the Fairtrade Product Registration System, Connect.
- All information regarding ingredient exceptions as required by the Exceptions Committee.
- All information regarding artwork exceptions granted including those granted by the Brand Integrity and Strategy Committee or by Fairtrade International for products sold in the Licensing Body's local market and as Cross Border Sales.
- All information regarding Fairtrade percentage composition exceptions granted.
- The summary of all Reconsiderations, Complaints and Allegations, and actions taken to resolve them.
- Impartiality reports, cases of Impartiality that occurred, risks to Impartiality and their mitigation,
- Annual sales figures.
- Any other information as required by the Agreement with Fairtrade International.

19.2 Quality System Documents

Fairtrade Canada keeps versions of the following quality system documents and provides them to Fairtrade International upon request or when they have changed substantively including the rationale and summary of the changes.

Licensing Standard Operating Procedures:

- FC Licensing SOP
- FC Quality Management SOP
- FC Data Control SOP
- FC Document Control SOP
- FC Mark Control SOP
- Fairtrade Canada Allegations Policy
- Fairtrade Canada Complaints Policy
- Fairtrade Canada Confidentiality Policy
- Fairtrade Canada Impartiality Policy

All policies that regulate or have implications on how licensing is carried out.

- Fairtrade Canada Application Policy
- Fairtrade Canada Reporting & Product Approval Policy
- Fairtrade Canada Cosmetics Policy
- Fairtrade Canada Cotton Policy

All License Contract templates adapted to national legislations.

- Fairtrade Canada License Contract
- Fairtrade Canada License Contract Appendix 1 Fairtrade ATCB Mark
- Fairtrade Canada License Contract Appendix 1 Fairtrade FSI Mark
- Fairtrade Canada License Contract Appendix 4 Fees Licensees

Documents Referenced

- Fairtrade Canada Application Policy
- Fairtrade Canada Reporting & Product Approval Policy
- FC Quality Management SOP
- FC Document and Record SOP
- FC Fairtrade Mark Control SOP
- FC Licensing Training SOP

20. APPENDIX 1 – Application Process

