



# PRODUCER CERTIFICATION FUND

## Guidelines

### 1. We want you

We want to make sure that all disadvantaged smallholder producers have the chance to be a part of Fairtrade.

### 2. We have a fund to help you

Some producer organisations cannot afford the full costs of becoming Fairtrade-certified. This should not be a barrier to joining Fairtrade. Therefore, we have a fund that may pay part of your certification fee, depending on your organisation and invoice from FLO-Cert GmbH.

### 3. Who can apply?

Only smallholder producer organisations can apply to this fund.

If you are new to Fairtrade and are unable to pay for your initial inspection, you may be able to apply. If you are already Fairtrade certified and about to be re-inspected, you may also receive a grant from the fund.

However, the costs of follow-up inspection fees cannot be supported out of this fund.

In the table below you will find a full list of requirements for applications.

You can receive a grant only twice. After that, you will not be able to apply again.

Eligibility criteria for applicants:	
Initial Inspections:	Renewal Certifications:



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<ul style="list-style-type: none"> <li>• Smallholder producer organisation</li> <li>• Have or be likely to find a market for their products</li> <li>• Have export capacity</li> <li>• Have received a certification invoice from FLO-CERT GmbH</li> </ul>	<ul style="list-style-type: none"> <li>• Smallholder producer organisation</li> <li>• Have or be likely to find a market for their products</li> <li>• Have export capacity</li> <li>• Have received a certification invoice from FLO-CERT GmbH</li> </ul>
You have passed the FLO-Cert scope check	You comply with Fairtrade standards
You are likely to comply with Fairtrade standards	You must have fulfilled all contractual certification obligations and must not have any outstanding payments with FLO-Cert GmbH from previous years
The certification fee you need to pay must be higher than 10 % of your organisation's net profit of the previous, complete financial year.	The certification fee you need to pay for renewal must be higher than 10 % of your organisation's net profit of the previous, complete financial year.
	You have not already received the grant twice.

#### 4. Are we likely to succeed?

We are particularly keen to help producers who are

- Producers in the Least Developed Countries (LDC):

Afghanistan, Bangladesh, Benin, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comores, Congo, Eritrea, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Haiti, Kenya, Korea Dem. Rep., Kyrgyz Republic, Laos, Liberia, Madagascar, Malawi, Maldives, Mali, Mauretania, Mozambique, Myanmar, Nepal, Niger, Ruanda, Solomon Islands, Sierra Leone, Somalia, Tanzania, Togo, Uganda, Zambia, Zimbabwe

- Producers of the following products:

Product	Country of origin	Added bonus for organic
Banana	all countries	both conventional and organic
Cocoa	Ecuador (fino de aroma)	no
Cocoa	Mexico	yes
Cocoa	Venezuela	no
Cocoa	Haiti	no



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Cocoa	Dom. Republic	yes
Cocoa	Nicaragua	yes
Cocoa	Africa	yes
Organic Juices	all	yes
Orange juice (high ratio)	all	yes

<u>Product</u>	<u>Country of origin</u>	<u>Added bonus for organic</u>
Sugar	all countries	yes
Vanilla	Madagascar, Indonesia, Papua New Guinea	yes
Cotton	all countries	yes
Dried fruit	West Africa	no

If you are a producer of other Fairtrade products or from a country outside of the above list and cannot afford to pay the full certification fee, please also apply to the fund.

Only if we receive too many applications and we cannot give a grant to every applicant, we will give priority to the above-listed producers.

All applications will be considered within four weeks of each deadline. Immediately afterwards, you will be informed about the result.

## 5. How much may I receive?

**Please note that application fees can not be considered**, only initial and renewal certification fees.

Grants are intended as financial support towards your certification fees. Grants never cover the full amount of your invoice. Only a certain percentage of the fee may be covered by the grant. The remaining percentage you will have to pay yourself directly to FLO-Cert GmbH.

The amount of the grant depends on the grade of your organisation. The following rates are the maximum grant possible per producer type. It cannot be guaranteed that the maximum rates are applied. In case that many applications are received that are worthy for a grant, the co-financing rates might be lowered in order to allow more producers to benefit from a grant:

Smallholder (1<sup>st</sup> grade) producer organisations may receive a grant of up to a maximum of 75% of their certification fee.

2<sup>nd</sup>/3<sup>rd</sup> grade producer organisations may receive a grant of up to a maximum 50% of their certification fee.

## 6. What do I need to do to apply?



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You have to fill in the **application form** for the Producer Certification Fund and **sign** it. (Applications which are not signed can not be considered). Please do not apply before you have received an invoice from FLO-CERT.

Please attach a copy of the FLO-Cert invoice for your initial/renewal inspection

Additionally, you may also send the following documents (if you have not already completed the relevant fields in the application form):

- a) A signed balance sheet of the most recent complete financial year (if you are an initial applicant and therefore do not have a financial history, an account listing your assets and your liabilities may be acceptable)
- b) A signed profit and loss account of the most recent complete financial year (if you are an initial applicant and therefore do not have a financial history, an account listing your assets and your liabilities may be acceptable)

*Please note that your application cannot be processed, if any of the supporting documents or information are missing!*

## **7. Where do I need to send the application to?**

The applications including the supporting documents should be sent as originals to the following address:

*FLO International eV  
Producer Certification Fund  
Bonner Talweg 177  
53129 Bonn  
Germany  
Fax: +49 228 2421713  
Email: [fund@fairtrade.net](mailto:fund@fairtrade.net)*

Applications may be sent via email, by fax or by post.



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If you have questions before applying or regarding your application, please email us at [fund@fairtrade.net](mailto:fund@fairtrade.net) and we will answer as soon as possible.

### **8. When do I need to apply?**

You can apply at any time during the year, but please note that requests are evaluated at the end of each month.

### **9. What happens after I have sent the application?**

FLO International e.V. will evaluate all incoming applications within four weeks after each deadline and inform you immediately afterwards about the results.

If you have questions about the application procedure, you may contact us anytime. Likewise, we might contact you before the evaluation in case we need to request more information to support your application.

Successful applicants will be advised of the amount of the grant they will receive. Your organisation will be kindly asked to transfer its own contribution (at least 25 % of the amount of the invoice) directly to FLO-CERT GmbH. As soon as this contribution has been received by FLO-CERT GmbH, your Producer Certification Fund grant will also be transferred to FLO-CERT GmbH from the fund to settle the invoice. You may then arrange an inspection visit together with FLO-CERT GmbH.

If you have applied successfully for a grant, but have already paid the invoice in advance, the producer certification grant could be transferred to your organisation's local bank account. However, in order to save banking fees, it would be advisable that FLO-CERT GmbH could issue you with a credit note, which you will be able to deduct from your next inspection fees.

### **10. Unsuccessful applicants**

If your application is unsuccessful for the following reasons, the table below sets out what should happen next:

<b>Reason</b>	<b>What will happen / what you should do</b>
The supporting documents were not complete or adequate	Please send the missing documents to the fund as soon as possible so that your application can be reconsidered in the next round of evaluations
Your application arrived after the deadline	Your application will automatically be considered in the next evaluation round
We have received too many applications to give a grant to every applicant	Your application will automatically be reconsidered in the next evaluation round



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## **11. Publication of successful applicants**

If you apply to the Producer Certification Fund, you agree to us making your name known in the FLO Bulletin, on our website etc., if you have received a grant from this.

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