



FairWild Foundation

# FAIRWILD FOUNDATION

INTERNATIONAL STANDARD FOR FAIR AND  
SUSTAINABLE WILD COLLECTION



FairWild Foundation

# Training Session 3: FairWild – Social/FT Principles

# FairWild:

## Scope of social and Fair Trade elements

**Cultural, social and Fair Trade elements of sustainability include:**

- Legal requirements: Principle 3
- Customary rights and benefit sharing: Principle 4
- Social responsibility requirements in collection: Principles 5-7
- Fair working conditions: Principle 8



# Principle 3:

## Complying with laws, regulations and agreements

### Criterion 3.1: Tenure, management and use rights

Collectors and operators have the authority to use the resource

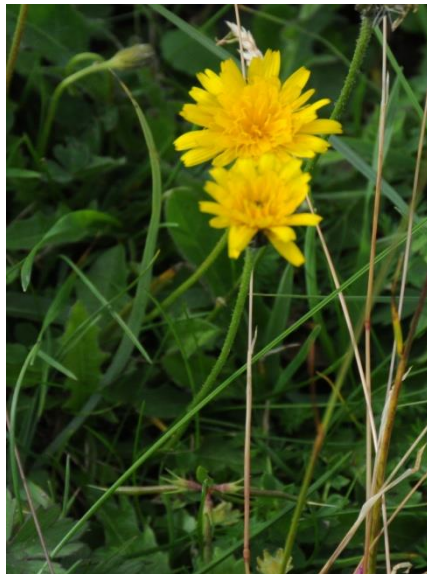


# Principle 3:

## Complying with laws, regulations and agreements

### Criterion 3.2: Laws, regulations & administrative requirements

Compliance with national / local law and international agreements



# Principle 3:

## Complying with laws, regulations and agreements

### Key aspects and documents to demonstrate implementation:

- Collection permits if required.
- Trade / export permits or registration.
- Documentation to prove tenure and resource access rights.

# Principle 4:

## Respecting customary rights and benefit sharing

### Criterion 4.1: Traditional use and practice, access rights and cultural heritage

Communities with traditional rights maintain control to protect their rights



# Principle 4:

## Respecting customary rights and benefit sharing

### Core requirements

- Ensure continuity of access to target populations for the local communities (M from year 1).

Operators must take care that local communities and indigenous peoples have continuous access to the wild target resources for their use.

- Traditional use and access rights are part of the management planning (M from year 3).
- Fair compensation and grievance mechanisms (M from year 3).

Losses and restrictions for the local community and indigenous people are minimised as far as possible and losses are remunerated.





# Principle 4:

## Respecting customary rights and benefit sharing

### Criterion 4.2: Benefit sharing

Agreements on fair and equitable sharing of benefits for all partners



# Principle 4:

## Respecting customary rights and benefit sharing

### Core requirements (benefit sharing)

- Agreements are in compliance with legal provisions (M from year 1).  
Agreements made between the operator and local communities or indigenous peoples must follow international ABS requirements as detailed in the Nagoya Protocol (2010) and other relevant documents.
- Agreements are based in Prior Informed Consent (PIC) and Mutually Agreed Terms (MAT) (M from year 2).  
All agreement on resource access and use as well as Traditional Knowledge must be developed and negotiated in a participatory and open manner.



# Principle 4:

## Respecting customary rights and benefit sharing

### Background to ABS

Many people depend on forests and on medicinal plants!

- Forests are home to 300 million people around the world. More than 1.6 billion people depend on forests for their livelihoods, e.g. fuelwood, medicinal plants.
- Many people rely on local medicinal plants for primary health care.

Negative impact for indigenous peoples & local communities

- Commercial collection has often led to major negative impacts for the indigenous people of the area, e.g. losing the right to collect products.
- Patenting of traditional plants and unfair use agreements with local communities have contributed to their exploitation.



# Principle 4:

## Respecting customary rights and benefit sharing

### Key aspects and documents to demonstrate implementation:

- If relevant: ABS agreements
- If relevant: Decomentation of process to achieve ABS agreements, including minutes of meetings
- Statutes of collector representation organization.
- Local sociology studies.
- Documentation on customary rights of indigenous / local population and traditional use practices.



# Principle 5:

Promoting fair contractual relationships between operators and collectors

## Criterion 5.1 Fair contractual relationships

Transparent economic relationship; participation of collectors in decisions



# Principle 5:

Promoting fair contractual relationships between operators and collectors

## Fair contractual relationships

- **Operator entertains open dialogue with collectors about all relevant aspects of FairWild (M from Year 2)**
- Collectors receive basic information on approximate quantities that can be sold to the group
- The collection company aims at long-term agreements with collectors. Collectors contracts are only cancelled with documented due reasons (insufficient quality, less sales)



# Principle 5:

Promoting fair contractual relationships between operators and collectors

## Criterion 5.2 No discrimination against collectors

No discrimination based on race, colour, ethnic origin, religion, gender



# Principle 5:

Promoting fair contractual relationships between operators and collectors

## Key aspects and documents to demonstrate implementation:

- Written contracts / agreements with collectors?
- List of collectors.
- Payment records.
- Overview of collector representation structure.



# Principle 6:

Limiting participation of children in wild collection activities

## Criterion 6.1 Children and young workers

Collection and processing without substantial work of children



# Principle 6:

## Limiting participation of children in wild collection activities

### Specific requirements on child labour (FairWild and ILO)

#### Children and young workers

- Operator does not contract children younger than 15 years (M from year 1).
- Operator ensures and monitors that the collection activities are not hazardous to the health of young collectors (15 – 18 years) (M from year 2).

# Principle 6:

Limiting participation of children in wild collection activities

## Criterion 6.2 Collectors contracting children for collection work

No contracting of children as workers or collectors



# Principle 6:

## Limiting participation of children in wild collection activities

### Specific requirements on child labour (FairWild and ILO)

#### Collectors contracting children

- Collectors do not contract children younger than 12 yrs (M from yr 1).
- Children between 12 and 15 years contracted by collectors do only light work for a maximum of 2 hours per day and not during school hours (M from year 2).
- Collectors contracting young workers ensure and monitor that the collection activities are not hazardous to the health of young collectors (15 – 18 years) (M from year 1).

# Principle 6:

Limiting participation of children in wild collection activities

## Criterion 6.3 Children helping their parents in collection

Only limited work of children in collection; supervision required



# Principle 6:

## Limiting participation of children in wild collection activities

### Specific requirements on child labour (FairWild and ILO)

#### Children helping their parents in collection

- Children under 12 years helping their parents in collection do only light work for a maximum of 2 hours per day and not during school hours (M from year 2).
- Children between 12 and 15 years helping their parents in collection do no substantial work (maximum of 3 hours per day and not during school hours or 7 hours per day during holidays) (M from year 2).
- Parents must ensure and supervise that young collectors (15 – 17 years) do not perform activities that are hazardous to their health.



# Principle 6:

## Limiting participation of children in wild collection activities

### Recommendation

The provisions of the child labour indicators of FairWild have been debated at length and are still to some degree controversial. For this reason it is **HIGHLY RECOMMENDED** to operators to avoid any form of child labour through sub-contracting by other collectors and do not allow sub-contracting of collection work to children between 12 and 15, because this can be interpreted as by-passing the provisions of Criterion 6.1.



# Principle 6:

## Limiting participation of children in wild collection activities

### Key points of company training / consultancy:

- Analysis of child labour situation in the communities of the collection region.
- Collector training material on social responsibility and prohibited forms of child labour.
- Training participation records.
- Age verification in collector personnel files.
- Overview of collection structure (number and age of helping family members, if relevant)





# Principle 7:

## Ensuring benefits for collectors and their communities

### Criterion 7.1 Fair pricing and payments to collectors

Transparent cost calculations; involving collectors in pricing decisions



# Principle 7:

## Ensuring benefits for collectors and their communities

### Fair pricing and payments to collectors - 1

- On time payment to collectors (M from year 1).

Payment regularly and on time. Pre-payment to be requested from buyer in case of cash flow problems.

- Payment of higher prices (M from year 2).

Collectors must receive a higher price (FW price) as soon as FW products are sold. Normally the price should be at least 5% higher.

# Principle 7:

## Ensuring benefits for collectors and their communities

### Fair pricing and payments to collectors - 2

- Basic cost calculation (M from year 3).

A basic cost calculation should reflect the real costs of production. The specific FW costs (resource assessment) should be included.

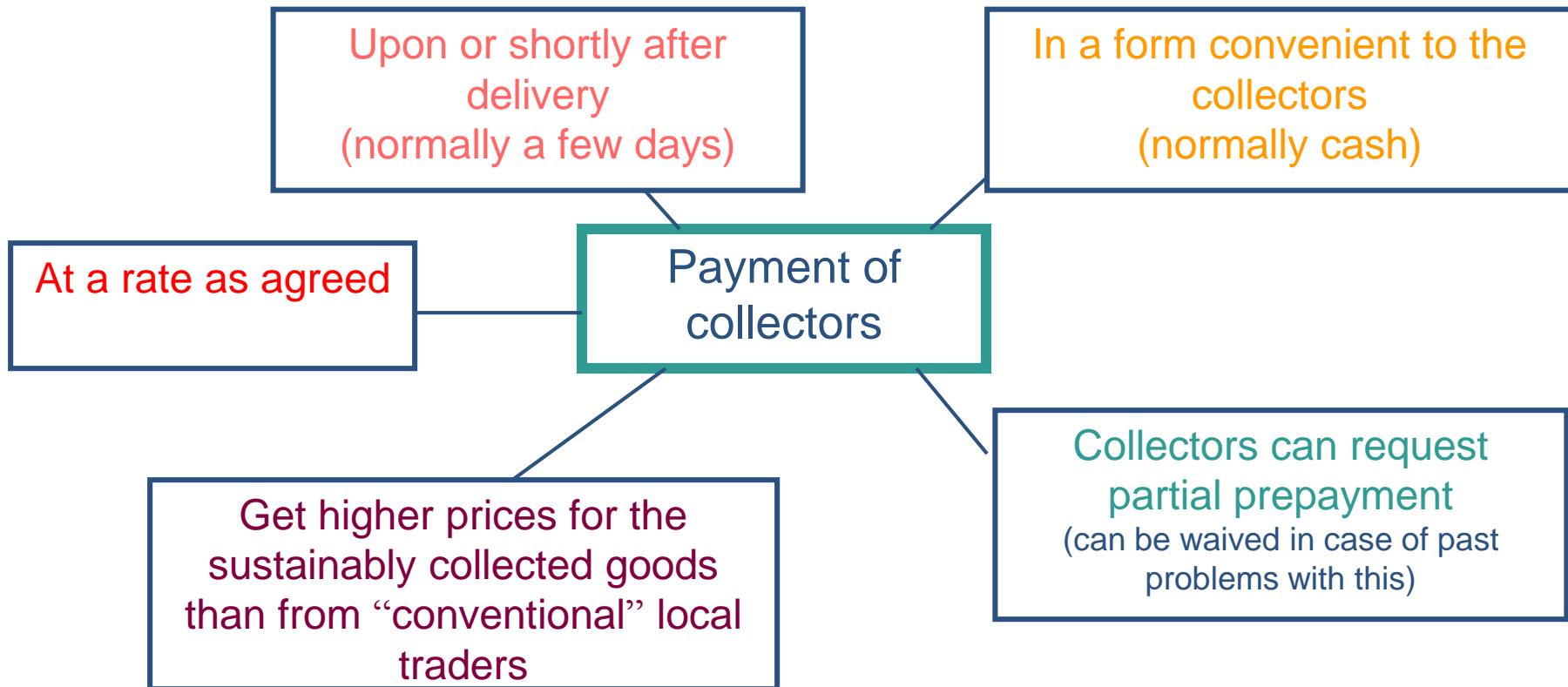
- Basic needs of collectors (M from year 3).

Prices paid should cover the basic needs of collectors and their families and allow for some discretionary income.



# Principle 7:

## Ensuring benefits for collectors and their communities



# Principle 7:

## Ensuring benefits for collectors and their communities

### Transparent price setting

- The collection company presents at least a basic cost calculation. This cost calculation includes costs of collection, prices paid to collectors, purchase, processing costs, overhead, profit & sales prices.
- The collectors' organisation gets sufficient information on the cost calculation to allow open price setting negotiations.
- It is understood that the collection company may make profit, but the overheads and profits shall be transparent.
- In price setting the collectors earn a fair share; they should receive higher prices as they normally do not receive social benefits.



# Principle 7:

## Ensuring benefits for collectors and their communities

### Fair prices and FairWild development Premium

- FairWild does not fix minimum prices
- Prices are negotiated by producer and buyer
- Price setting and levels are externally verified at the annual audit

#### Requirements for fair pricing:

- local market prices for product as one basis of calculation
- Mark-up on market price: „FairTrade“ + „Organic“ add-on
- FairWild price must be above defined „FairWild Floor Price“
- Payment of a FairWild Development Premium (usually up to 10%)

# Principle 7:

## Ensuring benefits for collectors and their communities

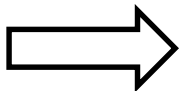
### Examples of fair price calculations

#### **Pricing Calculation: “Production Costs” (Operator)**

- Collection area management
- Equipment for collection and processing
- Costs for facilities (rent / purchase)
- Costs for machines
- Work costs (collectors / workers / management / officers)
- Costs for permits, land use, certification (requirements)

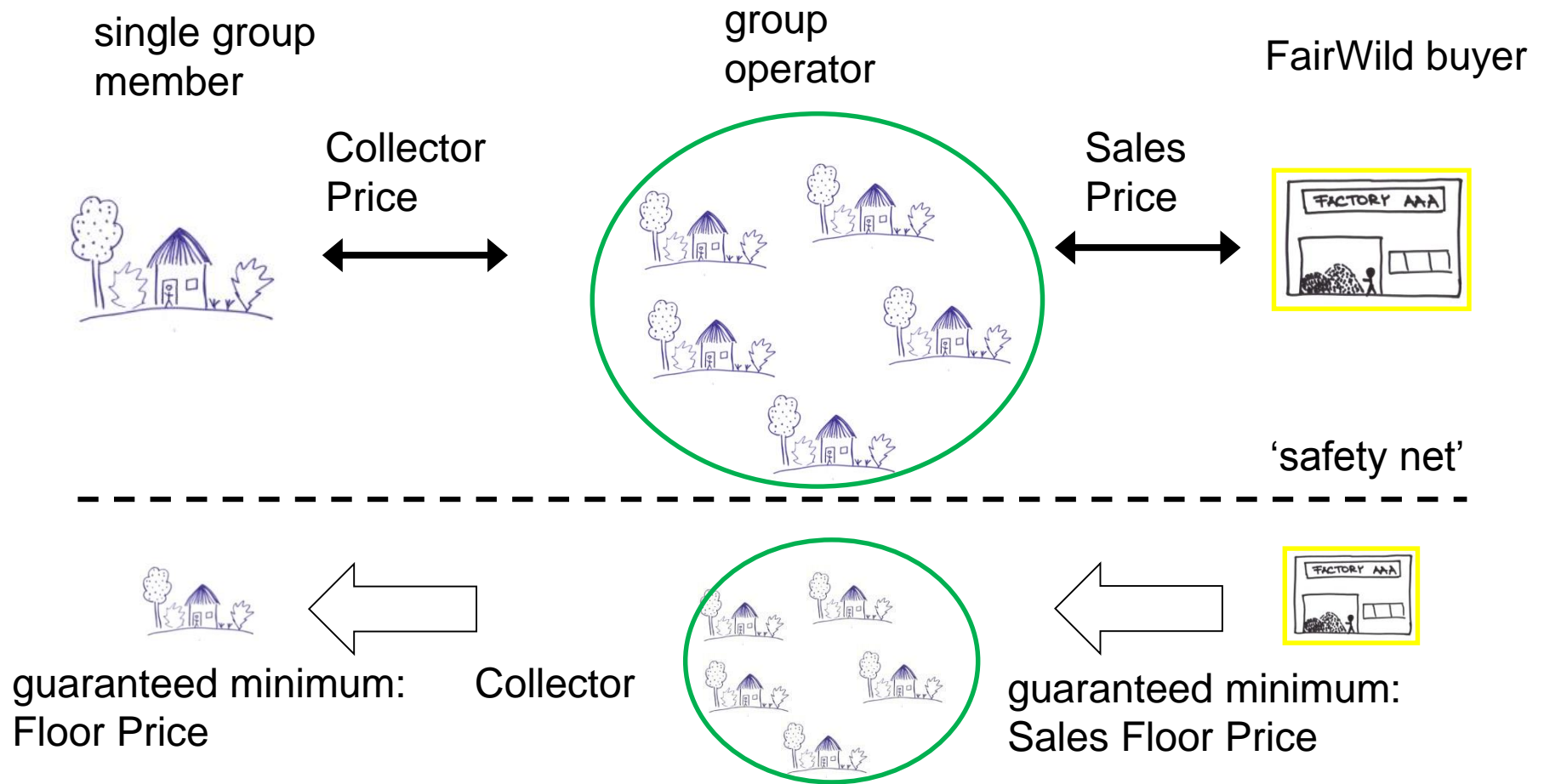
#### **Pricing Calculation: “Basic Needs” (Collector / Worker)**

- Rent / housing
- Food
- Clothing
- Hygiene and health
- Insurances and transport
- Education
- Social participation / culture
- Discretionary income (~10%)



Local conditions to be considered for calculations

# Principle 7: Ensuring benefits for collectors and their communities





# Principle 7:

## Ensuring benefits for collectors and their communities

### Criterion 7.2 FairWild Premium use and administration

Premium use decision with participation of collectors / committee



# Principle 7:

## Ensuring benefits for collectors and their communities

### Collectors' representation / organisation - 1

A collectors' organisation can

- help collectors to represent their interests towards the collection company
- serve as a good communication partner to reach fair deals in prices setting, purchase procedures, quality control, etc.
- Collection company should encourage collectors to elect a collectors' representative board that discusses key FW aspects (M from Year 2).
- One or several collectors' representation organisation(s) may be necessary.



# Principle 7:

## Ensuring benefits for collectors and their communities

### Collectors' representation / organisation - 2

#### The collectors' organisation should

- Be in place and have at least constitutionally a democratic structure (after 1 year)
- Be effectively active to represent collectors interests after 2 years
- Aim is a democratic structure with e.g. a board of representatives elected by a general assembly of all collections
- It is recommended to have different group organisation in different collection regions to ensure real involvement



# Principle 7:

## Ensuring benefits for collectors and their communities

### FairWild Premium use and administration - 1

- Responsible Premium administration (M from year 1).

Premiums must be administered separately and fund use documented transparently.

- Premium use for social investment (M from year 1).

Premiums are payments for social investment. During the first 5 years investment into improvement of sustainable collection is acceptable.



# Principle 7:

## Ensuring benefits for collectors and their communities

### FairWild Premium use and administration - 2

- Premium use decisions by collectors assembly (M from year 2).

The Premium use decisions should be made by the collectors' assembly or a Premium use committee with democratic structures in which the collectors are prominently represented.



# Principle 7:

## Ensuring benefits for collectors and their communities

### Key aspects and documents to demonstrate implementation:

- Cost of production calculations (collectors / collection operation).
- Living costs analysis for collectors.
- Documentation of price setting mechanism.
- Pricelist for collected goods.
- Documentation of payment to collectors (signed payment records).
- Premium account documentation (premium use documentation)
- Minutes of meetings of Premium committee meetings.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

**Criterion 8.1 Basic labour rights for wild collection operation staff:** Respecting basic human values and rights for workers



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Basic labour rights - 1

No forced labour (M from year 1).

- The operator is not allowed to force people or their families or relatives to work in the operation. Identity cards must not be kept.

No contracting of children (M from year 1).

Freedom of association (M from year 2).

- The operator must guarantee freedom of association to all workers. They have the right to join existing worker unions or form new unions. Unionized workers must not be discriminated against.





# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Basic labour rights - 2

No children assisting workers (M from year 2).

- Children under the age of 15 must not assist their parents or other workers. The operator must ensure that no child labour occurs.

Young workers receive specific attention (M from year 2).

- Young workers (15-18 years) only carry out work that is adequate for their age and does not jeopardize their health. No heavy duties, shift work or nighttime work are allowed for young workers.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

**Criterion 8.2 Safe work environment for wild collection operation staff:** Safe and hygienic work environment for all



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Safe work environment - 1

Safe machinery and equipment (M from year 1).

- Machinery and equipment used by the operator should be as safe as possible in all units to reduce the risk of work related accidents and hazards to the health of workers.

Protection of risk groups (M from year 1).

- Pregnant women or risk groups (e.g. disabled people; workers with chronic illnesses) should not be exposed to specific risks or hazards to their health.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Safe work environment - 2

Emergency procedures (M from year 1).

- Emergency exits must be in place in all units. These should be clearly marked, easily accessible and unobstructed at all times.

Analysis of safety situation (M from year 1).

- The safety situation at the operator should be continuously monitored and work related accidents reduced. Causes are analyzed and adequate measures taken in case of serious and / or frequent accidents.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Safe work environment - 3

Personal protection equipment (M from year 2).

- Adequate personal protection equipment (PPE) is provided for free to all workers exposed to specific risks or contaminations, e.g. through chemicals, dust, noise or light. All PPE should be functional at all times and workers should be trained and encouraged to use the equipment.

Fire fighting (M from year 2).

- Fire fighting equipment is installed in adequate density throughout the operation. It must be operational at all times.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Safe work environment - 4

Adequate accommodation (M from year 2).

- If the operator provides accommodation for workers, the accommodation must be clean, safe, provide sufficient space and privacy and should be adequately equipped.

Access to potable water free of charge

Adequate light conditions and ventilation

First aid equipment and staff trained in first aid; accident records



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

**Criterion 8.3 Fair employment conditions for wild collection operation staff:** Company acts as socially responsible employer



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Fair employment conditions - 1

- Minimum wages for permanent workers (M from year 1).  
Permanent workers must at least be paid minimum wages as stipulated by the law. If there are no defined minimum wages, the relevant national industry standard payments are used as a benchmark.
- Work contracts for permanent & temporary workers (M from year 2).  
Employment conditions are clearly defined and known to the worker, normally through a work contract or similar employment agreements.





# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Fair employment conditions - 2

- Minimum wages for temporary workers (M from year 2).

All temporary workers must at least be paid minimum wages as stipulated by the law. If there are no defined minimum wages, the industry standard payments in the country or region are used as a benchmark.

- Timely payment (M from year 2).

Wages are paid on time as agreed upon in the work contract.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Fair employment conditions - 3

- Documentation of payment (M from year 2).

All payments are documented by the operator. Workers receive monthly pay-slips on which wages, social benefits and all deductions are indicated.

- Maximum working hours (M from year 2).

The maximum working hours do not exceed 60 hours per week. In exceptional cases and peak seasons it is possible to average the working hours over one month.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Fair employment conditions - 4

- Retirement / provident fund (M from year 2).

The operator must establish a retirement / provident fund for workers, as stipulated by the law. All operators are encouraged to provide retirement coverage for all employees, irrespective whether permanent or temporary.

- Wages meet basic needs of workers and families (M from year 3).

The wages paid must meet the basic needs of the workers and their families. They should also provide some discretionary income to workers.



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Fair employment conditions - 5

- Complete and trustworthy documentation of working hours and overtime
- Overtime is not compulsory and does not exceed defined limits
- Overtime remuneration higher than normal remuneration
- Training sessions are fully remunerated
- Paid holidays and paid sick leave

# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Fair employment conditions - 6

- Basic coverage for maternity
- Permanent employment for regular workers – minimization of temp work
- Equal payment for equal work



# Principle 8:

Ensuring fair working conditions for all workers of wild collection operations

## Key aspects and documents to demonstrate implementation:

- Payment records for workers, including social benefits and tax deductions.
- Health and safety risk analysis and action plan.
- Establishment / appointment of health and safety officer.
- Fire fighting equipment and fire and evacuation drills (documented).
- First aid kits and first aid training records.
- PPE for workers.
- Disciplinary code of company.



**Is there more to know about FairWild ?**

**Yes – one more session on the  
business side**

**–**

**more in a minute!**



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# Thank you for listening

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