

# **Fairtrade Climate Standard Fee Structure**

## **Explanatory Document**

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Distribution: External



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## 1 Area of application

The following fees are applicable for all producer organizations and traders applying for FLOCERT Climate certification and for all producer organizations and traders certified by FLOCERT. The fees are based on the role a particular customer has in the supply chain.

Please note that all fees are exclusive of Value-Added Tax and other taxes, which will depend on the country the customer is (fiscally) located in.

Travel costs will also be charged separately.

Abbreviations: PO = Producer Organization; PF = Project Facilitator

## 2 Application fee

Producer Organizations and Traders each pay a non-refundable application fee.

<b>Application fee</b>	<b>565,00 €</b>
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## 3 Annual Certification Fees for POs and PFs

The Producer Organization (PO) certificate can be held

- by the Producer Organization (if it is a legal entity) or
- by the Project Facilitator (PF) on behalf of the PO (if the PO is not a legal entity).

Both the PO fee and the Project Facilitator Fee apply in both of the above cases. If the PO does not use the services of a PF, then the PF fees do not apply.

<b>Fee Type</b>	<b>a) If the PO is not Fairtrade-certified for another product (e.g. coffee, cocoa, etc.)</b>	<b>b) If the PO is already Fairtrade-certified for another product (e.g. coffee, cocoa, etc.)<sup>1</sup></b>
<b>Producer Organization Annual Fee</b>	2,970.00 €	2,050.00 €
<b>Project Facilitator Annual fee</b>	360.00 €	360.00 €

## 4 Annual Certification Fees for Traders

<b>Fee Type</b>	
<b>Annual Certification Fee</b>	1,795.00 €

<sup>1</sup> The Fairtrade Climate Standard Certification Fee is paid in addition to the annual certification fee of the product the organisation is already certified for because two separate audits have to be conducted..

## 5 Cancellation Fees

If an audit is cancelled or postponed by a customer less than 10 calendar days prior to the mutually-agreed (between the auditor and the customer) audit date, the customer will be required to pay another invoice equal to the amount of the initial/annual certification fee prior to the date of the next audit.

If an audit is unilaterally cancelled by a customer within 30 calendar days but 10 or more calendar days before the mutually-agreed (between the auditor and the customer) audit date, the customer will be required to pay another invoice equal to 50% of the amount of the initial/annual certification fee prior to the date of the next audit.

In the event of force majeure, the responsible Regional Manager will decide whether the conditions justify a cancellation of the audit. If justified, the customer will not be required to pay any costs.

## 6 Follow Up Audit Fee

As part of the certification process of FLOCERT, it may be necessary to verify fundamental breaches and major non-conformities with the Fairtrade Standards by an onsite Follow Up Audit.

These Follow Up Audits focus solely on the non-conformities identified during an Initial, Confirmation or Renewal Audit and are charged in addition to the respective Initial or Annual Certification Fee.

A Follow up Audit for Producers is charged on a time and expense basis. The invoiced amount is **375 €** per day (incl. travel and reporting days) plus travel costs. The travel costs are the estimated travel costs plus 20% contingency.

Follow up Audit for traders located in the global North is at 1360 € (includes one day on site. Additional days required will be charged at 675 € per day).

## 7 Modification of Certification Fees

Annual Certification Fees may be increased or decreased by the following factors:

- Producer organizations that are not only producing but also trading *Fairtrade Carbon Credits* (buying from other certified producer organizations and selling to traders) will be charged an additional 15% on top of their certification fee. If the customer chooses to have the TC Initial audit separately to the PC regular audit, the fee is calculated as if it were a follow-up audit.
- FLOCERT reserves the right to charge additional costs to the certification fees if established audit costs are exceeded. This might be additional audit days (daily rate is 375€) and/or audit related travel costs (estimated travel costs plus 20% contingency).
- **If FLOCERT identifies that Fairtrade Carbon Credits have been traded prior to the issuing of the Permission To Trade, twice the annual certification fee will be charged pro-rata from the date of sale to the date of issuing the Permission to Trade (Max of €5000).**
- **Annual certification fee excludes the cost of travel between affiliates within an organization.**

In the event that any invoice adjustments are made pursuant to this section, such adjustments will be clearly indicated on the invoice.