



Frequently Asked Questions

SPP – FUNDEPPO

August 24, 2015

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1 SPP's ORIGINS

1.1 Why was the SPP created?

The SPP was created in response to the needs of small producers' organizations to create an identity for themselves in the market and within the fair trade and solidarity market.

Small producers' position in the global economy

Small producers have a particular position and a unique situation in the global economy, and need to collectively defend their right to survival and to promote their vision, their work in favor of sustainable comprehensive development in their communities, and their contributions toward achieving social and economic balance at regional and global levels.

Small producers' position within fair trade

Other fair trade and sustainable schemes involve not only organized small producers but also many different types of producers. Small producers need their own space and their own voice in markets and in society.

Participation by transnational corporations in fair trade

The growing active participation and positioning by major transnational companies in fair trade makes small producers' organizations once again dependent on establishing relations with this type of company. In contrast, the SPP allows small producers' organizations to strengthen direct, long-term relations with companies that are their counterparts with a commitment to fair trade.

Process of appropriating and strengthening the capacities of small producers

Small producers' organizations were the primary actors promoting the creation and consolidation of the fair trade market. Fair trade was created to support the process of appropriating the production and commercial chain, and developing the self-management abilities of small producers' organizations. Through the SPP, producers demonstrate their capacities as the leaders of their own destiny.

1.2 Why was the SPP created when FLO also works with Small Producers?

One of the reasons for creating the SPP was that FLO had ceased to work exclusively with small producers in relation to a number of products.

Changes in fair trade

When fair trade seals were initially created, only small producers' organizations were involved. Gradually, however, larger producers were incorporated, as well as organizations representing both small and large producers, and also unorganized small producers.

Small producers' vision of fair trade

The small producers' organizations participating in international fair trade never agreed with this expansion of fair trade to include other productive sectors. For



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organized small producers, the concept of fair trade and the model of small producers' organizations were closely intertwined and inseparable.

Unfair competition

The inclusion of different production models generates unfair competition for small producers' organizations—which created and promoted fair trade. This competition endangers the survival of these organizations and their producers.

Different visions

The model and vision of small producers' organizations are based on comprehensive, self-managing, democratic development and a fair, equal, solidarity and inclusive economy. The vision and practices of large producers are different and negatively affect organized small producers.

Own identity

It is for these reasons that small producers' organizations need—with assistance from the SPP—their own space, their own place and identity in the market, to bring visibility to the way they work, to their vision and their contributions toward achieving a different society and economy.

1.3 Has the SPP separated from the fair trade movement?

The SPP is at the center of the fair trade movement because it represents genuine, comprehensive fair trade that is based on the values, principles and objectives that led to its very creation.

Initial principles and values of fair trade

The SPP is dedicated to conserving and strengthening the principles and values that led to the creation of the fair trade model. The SPP's Declaration of Principles and Values brings together many of these principles and values, such as those pertaining to small-scale production, democratic organization, inclusion, economic justice, ecological sustainability, etc.

Focus on Small Producers' Organizations

The SPP maintains its focus on strengthening small producers' organizations as a model of democratic social and economic organization. It also focuses on the importance of building capacities in small producers' organizations and local economies. Fair Trade has always been promoted as a tool for achieving these goals.

Buyers committed to Fair Trade

SPP buyers are companies that are highly committed to small producers' organizations and to fair trade, as exemplified in their mission and purpose. The SPP requires buyers to make a commitment to maintaining certain volumes with small producers.

Commitment to Fair Trade consumers



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The SPP requests full transparency in commercial dealings and in the physical traceability of products, from producers to consumers, in respect for committed consumers.

2 SPP'S RELATIONSHIP WITH FLO AND WITH CLAC

2.1 *What is the relationship between SPP – FUNDEPPO and FLO?*

There is no formal relationship between SPP-FUNDEPPO and FLO, nor has there ever been.

Past relationship

These are totally independent organizations and systems. They have always been independent of each other.

Current relationship

While there has been dialogue, at different moments in time, between FLO and the SPP, there is currently no agreement or arrangement between the two parties.

2.2 *What is the relationship between SPP and FLO's National Initiatives?*

The SPP maintains dialogue with some of FLO's National Initiatives.

Past relationship

Over the years the SPP has dialogued with some of FLO's National Initiatives, particularly Max Havelaar France and Fairtrade Canada.

Current relationship

Currently, there is no arrangement or agreement signed with these initiatives. Collaboration with Fairtrade Canada is being explored within the framework of the Fair Trade Universities, Schools and Cities campaigns in Canada.

2.3 *What is the relationship between SPP-FUNDEPPO and CLAC?*

CLAC was SPP-FUNDEPPO's original founder and is currently an Honorary Member.

SPP's Creation

CLAC, the Latin American and Caribbean Network of Small Fair Trade Producers (*Coordinadora Latinoamericana y del Caribe de Pequeños Productores de Comercio Justo*) launched the SPP internationally in 2006 as a symbol of small fair trade producers, during the International Forum of Solidarity and Fair Trade tourism in Chiapas, Mexico.

Initial relationship between SPP and CLAC

From its beginnings, the SPP was created to operate independently, with its own Board of Directors. In 2010 the SPP was formally transferred to the legal structure of FUNDEPPO, the Foundation of Organized Small Producers, a subsidiary organization of CLAC at that time.



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Institutional separation of SPP and CLAC

At CLAC's Fifth Assembly in 2012, held in Quito, Ecuador, CLAC transferred the SPP completely to FUNDEPPO, and decided to initiate FUNDEPPO's legal separation from CLAC.

Declaration of Shared Principles

In 2014 FUNDEPPO concluded the process of its legal separation from CLAC, and the two organizations signed a Declaration of Shared Principles in which they stated their shared purpose of strengthening organizations of small fair trade producers.

Honorary Member

At the SPP's Fourth General Assembly, held in April 2015 in Panama City, CLAC became an Honorary Member of FUNDEPPO.

3 DIFFERENCES BETWEEN SPP AND FLO

3.1 How is the SPP symbol different from the FLO mark?

What distinguishes the SPP symbol from the FLO mark is primarily that it is an initiative that is 100% owned by small producers and governed by small producers, it works only with organized small producers, and it requires a serious commitment from companies.

3.1.1 Ownership and Governing Structure

Producers and Ownership

SPP-certified small producers' organizations make up 100% of FUNDEPPO's and the SPP's owners or 'Owner Members.' In the case of FLO, the continent-based producers' networks for Africa, Latin America and Asia-Pacific are owners of 50% of the votes.¹

'Small Producers' or "Producers'

In the SPP, 100% of its certified producers' organizations are small producers' organizations. In the case of FLO, its continent-based networks of producers are made up of small producers' organizations, unorganized small producers ('production by contract') and workers on private plantations, and 80% of its certified producers are small producers' organizations.²

Producers' Participation in Governing Bodies

In the SPP small producers' organizations have 67% of the votes in their day-to-day governing body (Board of Directors). In the case of FLO, producers (organized and unorganized small producers, as well as workers at plantations and forestry companies) in the three continents together have 36% of the votes in their governing body (Board of Directors).¹

Producers' Participation in Criteria Committees

¹ <http://www.fairtrade.net/board-members-general-assembly.html> (August 19, 2015)

² http://www.fairtrade.net/fileadmin/user_upload/content/2009/resources/150211-Fairtrade-By-The-Numbers-2015-final.pdf (August 19, 2015)



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In SPP's Standards and Procedures Committee (*Comité de Normas y Procedimientos*—CNP) representatives of small producers' organizations have 67% of the votes. In the case of FLO's Standards Committee, the various types of producers have 43% of the votes.³

3.1.2 Criteria on composition and sales for small producers' organizations

Criteria for Small Producers' Organizations

In the SPP 100% of members must be small or very small producers (General Standard⁴: at least 85% have 15 hectares or less and the other 15% have 30 hectares or less in production. The maximum amount of land in production is less for a number of products. In the case of bananas, for example, 100% of producers may not have more than 10 hectares in production.) Also, 100% of products must come from these small producers. In the case of FLO's criteria for small producers' organizations, it is asked that at least 50% of producers are small producers. No limits are established for the rest of the producers. FLO asks that at least 50% of production comes from small producers. The other 50% may come from the organization's members that do not qualify as small producers.⁵

3.1.3 Frame of reference for Standards and Certification System

Foundation

The SPP system is based on its Declaration of Principles and Values,⁶ a philosophical rationale focused on the importance of organized, self-managed small production, ecological sustainability, fair trade and local economies. The philosophical rationale used by the FLO system is the Charter of Fair Trade Principles developed jointly with the WFTO.⁷

Code of Conduct

With its Declaration of Principles and Values, the SPP not only has a set of standards⁸ that define its certification criteria, but it also has a Code of Conduct, the function of which is complementary to SPP standards. It makes it possible to take steps against stakeholders that violate the code, even though they may comply with the criteria in the SPP General Standard. The Code of Conduct guarantees that SPP stakeholders demonstrate general respect for the Declaration of Principles and Values, even in transactions they conduct outside the SPP. FLO does not have a Code of Conduct that complements its standards.

³ http://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2015-06-25_SCMembers_July_2015_public.pdf (August 19, 2015)

⁴ http://home.spp.coop/SPP/images/PDF/normatividad/norma_general_spp_v9_30-iii-2015_e1_24-iv-2015.pdf (August 19, 2015)

⁵ Criteria 1.2.1 and 1.2.2 of Fairtrade Criteria for Small Producers' Organizations (v. 1.3 01-05-2015; http://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2015-08-03_SPO_SP.pdf (August 19, 2015)

⁶ http://home.spp.coop/SPP/index.php?option=com_content&view=article&id=108&Itemid=93&lang=es (August 19, 2015)

⁷ http://www.fairtrade-advocacy.org/images/FTAO_charters_3rd_version_ES_v1.3.pdf (August 19, 2015)

⁸ http://home.spp.coop/SPP/index.php?option=com_content&view=article&id=92&Itemid=93&lang=es (August 19, 2015)



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3.1.4 Types of Producers and Products

Types of producers

SPP standards are only applicable to small producers' organizations. FLO has standards with criteria for 'Small Producers' Organizations,' for "Contracted Work,' for "Contracted Production,' and for "Forestry Companies' and "Artisanal and small-scale mining organizations.'

Types of products

The SPP certifies agricultural and beekeeping products and their by-products, as well as crafts. In the case of FLO, in addition to certifying agricultural and beekeeping products and their by-products, it also certifies products such as manufactured soccer balls as well as gold and other mining products. The SPP is open to certifying different products from small producers' organizations, but does not permit the certification of mining products.

3.1.5 Types of criteria and their time periods

Criteria or Compliance Criteria

The criteria in SPP standards must be met by organizations and companies. Neither the SPP nor its authorized Certification Entities have additional Compliance Criteria. In the case of the FLO system, FLO e.V. issues criteria and FLO-Cert issues Compliance Criteria.

Time periods for compliance

The SPP's 'continuous improvement' criteria do not specify time periods, but rather are subject to the possibilities and the context for each organization or company being evaluated. In the case of FLO, criteria for making progress are subject to certain time periods established by FLO-Cert certifiers.

3.1.6 Fair – Sustainable Prices

Minimum Prices

The SPP's minimum prices are generally higher than those for FLO. For example, FLO's minimum price for washed Arabica coffee is 140 USD/100 lb,⁹ while the SPP's sustainable minimum price for the same is 160 USD/100 lb.¹⁰

Organic Premium Price

The SPP's differentials or premium prices for organic products are generally higher than those for FLO. For example, the SPP's organic 'recognition' is 40 USD/100 lb for washed Arabica green coffee beans,¹¹ while FLO's 'organic premium price' is 30 USD/100 lb.

Organic Premium Price or Minimum Price

In the SPP system, organic premium prices are applicable not only when the market is below the minimum price, but also when the market is above the minimum price. This makes it possible for small producers' organizations to provide incentives and recognition to their members for organic production on an ongoing basis. In the FLO system, there are only organic premium prices in the case of coffee. There is an 'Organic Minimum Price' for other products, signifying



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that the difference in fair trade prices disappears precisely when market prices rise above this Organic Minimum Price.

3.1.7 Rules for Origin of Products

Strict rules for composite products

The SPP guarantees that the majority of ingredients in composite products are from certified small producers' organizations, while requirements are generally much less stringent in the case of other seals.

Physical traceability versus 'mass balance'

In the SPP system, the physical traceability of products through processing chains is required in all cases. The SPP system does not permit the "mass balance" factor, as allowed for some products in the FLO system, including sugar and orange juice. In the mass balance system, an amount of products coming from a processing plant equivalent to the amount of certified products that went into the plant is certified, without necessarily verifying physically that the same products are involved. In the FLO system, the mass balance factor is applied to a specific processing plant in some cases, and in others, the mass balance factor is applied to a group of various processing plants in different locations.

3.1.8 Local economies and markets

Local economies and added value

Through its regulations, the SPP promotes the strengthening of local economies by locally generating added value and through collaboration among small producers' organizations. Buyers that purchase finished products in the countries of origin, including those processed by small producers' organizations themselves, pay fewer SPP users' rights.¹²

Promoting local markets

The SPP promotes the sale of finished products and sales in local markets. One of the ways it does so is to not charge SPP-certified small producers' organizations for the right to use its symbol in local markets. FLO charges user's fees from small producers' organizations that use the *Fairtrade* mark in final products in both local and international markets.

3.1.9 Certification and Registration Procedures

Independent certification

SPP-FUNDEPPO does not certify on its own, but rather authorizes independent Certification Entities to operate its Certification program (for small producers' organizations) and Registration program (for buyers). These are certifiers that comply with the ISO 17065 Standard, and currently there are eight of them. FLO

⁹ http://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2015-07-13_EN_Fairtrade_Minimum_Price_and_Premium_table.pdf (August 19, 2015)

¹⁰ http://home.spp.coop/SPP/images/PDF/lista_precios_spp_v4_22-nov-2014_e2_04-feb-2015.pdf (August 19, 2015)

¹¹ http://home.spp.coop/SPP/images/PDF/lista_precios_spp_v4_22-nov-2014_e2_04-feb-2015.pdf (August 19, 2015)

¹² As far as we know, the FLO system does not have a similar rule.



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created FLO-Cert as its own certifier, which operates as a third-party certifier under the ISO 17065 Standard. In some regions, FLO-Cert collaborates with local certifiers that provide it with auditing services.

Self-evaluation as part of the process

As part of the SPP's independent certification process, also referred to as 'by a third party,' there is a 'self-evaluation.' In the initial phase of certification (for producers) and registration (for buyers), the entities to be evaluated fill out an evaluation form on their own, specifying how they meet each of the criteria applied to them. They must also provide references that can verify their compliance. It is the responsibility of the Certification Entity to determine whether compliance and references verifying compliance are valid and truthful or not.¹³

'Objection Process' or eligibility for Certification or Registration

The SPP's certification and registration procedures include an 'Objection Process.' This signifies that FUNDEPPO publicizes the intention of an organization or a company to become certified or registered, permitting other SPP stakeholders or the public in general to submit an objection to the certification or registration of a particular entity. At the same time, FUNDEPPO conducts an investigation of the applicant's background. If non-compliance with the SPP's Code of Conduct is determined, the certification or registration of the entity does not go forward, as it is therefore not 'eligible.'¹²

Dissent Procedure

The SPP system has a Dissent Procedure, which permits any involved or interested party to express its disagreement with regulations or decisions in the SPP system. Complaints, disagreements, objections and disputes are resolved by the Dissents Committee, an ad hoc committee presided over by the Chairperson of the Surveillance Committee.¹²

3.2 How is the SPP different from the FLO mark when only small producers are included, as in the case of coffee?

The primary differences between the SPP symbol and the FLO mark in terms of standards for Small Producers' Organizations are: the governing model used, the SPP's higher minimum prices, and the fact that 100% of SPP's members are small producers, while only 50% of FLO's members must be small producers.

See [Ownership and Governing Structure](#), [Criteria for Small Producers' Organizations](#) and [Fair – Sustainable Prices](#), among other sections under [\(How is the SPP symbol different from the FLO mark?\)](#)

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¹³ As far as we know, FLO does not have a similar self-evaluation phase.



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4.1 What are the criteria applied to Small Producers' Organizations in the SPP system?

The criteria applied by the SPP to Small Producers' Organizations, specifically Critical Criteria (CC), Minimum Criteria (MC) and Continuous Improvement Criteria (CIC) refer to membership (only small producers); democratic organizational structure; sustainable production; quality management; transparent trade; strengthening of small producers sector; environment and health protection; dignified living; and labor conditions.⁴

Organizational Criteria

- Democracy (CC)
- Independence (CC)
- Non-discrimination (MC)
- Transparency in decision-making (CIC)
- Rights of Indigenous Peoples (MC)

Production Criteria

- Established product flow (CC)
- Flow records administered by small producers' organization (CC)
- Environmental protection (CIC)
- Estimates (CIC)

Management Criteria

- Generation of Quality Management System (CIC)

Commercial Criteria

- Records of transactions (CC)
- Mechanisms for establishing prices and forms of payment approved by AG (MC)
- Technical information sheets (CIC)

Criteria for Strengthening the Small Producers Sector

- Commercialization through other small producers' organizations (MC)
- Only with certified or registered stakeholders (MC)

Environment and Human Health Criteria

- Complying with List of Prohibited Products (CC)
- Actions for elimination of products (MC)
- No GMOs (MC)
- Actions in environmental protection (CIC)
- Use of appropriate equipment (CIC)
- Sound waste management (CIC)

Dignified Living Criteria

- Actions to promote dignified living for members (CIC)
- Actions to promote appropriation of chain (CIC)
- Influencing public policies (CIC)

Labor Criteria



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No hiring of children (MC)
Complying with labor laws (MC)
Improvement of work conditions (CIC)

4.2 What criteria does the SPP apply to buyers?

The criteria applied by the SPP to buyers, specifically Critical Criteria (CC), Minimum Criteria (MC) and Continuous Improvement Criteria (CIC), are focused on: legality and capacity; strengthening the small producers sector; transparency and traceability; commitment to volumes; and compliance with criteria for fair trade treatment.⁴

4.2.1 Criteria for Final Buyers, Trading Companies, Maquila companies, etc.

General considerations

Legally constituted (CC)
Accounting-administration system (CC)
Not simultaneously a producer (CC)

Commitment to promoting the local economy

Preference for processed products (CIC)

Transparency and traceability

Transparent information on ownership and operations (CC)
Precise records (CC)
Physical traceability (CC)
Information provided to consumers (CIC)

Strengthening the small producers sector

Direct purchasing from small producers' organizations
Processing by small producers' organizations
Commitment with small producers' organizations for a minimum 5% of products purchased in two years (MC)
Commitment to SPP growth at a minimum of 25% in 6 years (MC)

4.2.2 Criteria for Commercial Treatment

Contracts

Transparent, detailed contracts (CC)

Sustainable prices

Minimum Sustainable Price (MC)
Organic Recognition (MC)
SPP Incentive (MC)
Quality differentials (MC)

Pre-financing

Facilitation of at least 60% pre-financing (MC)

Timely payment



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Timely payment of contracts (MC)

Quality

Resolution of Disputes (MC)

Origin criteria (or Rules of Origin Criteria)

Products with one type of ingredient: 100% SPP (MC)

Combined products: with as many SPP ingredients as possible/minimally 50% SPP (MC)

4.3 How is a "small producer" defined from the SPP system's perspective?

The General Standard establishes that in the case of agricultural products, at least 85% of the members of a small producers' organization have no more than 15 hectares in production. The remaining 15% may have up to a maximum of 30 hectares in production, as long as all of the organizations comply with criteria on the predominant use of family or collective labor and personal involvement in production. There are specific criteria for certain products and regions.

Greenhouse agriculture

For greenhouse agricultural producers the limit is 1 hectare for at least 85% of producers, and 2 hectares for the remaining 15%.

Beekeeping products

For beekeeping producers there is a limit of 500 bee hives for at least 85% of the producers in a Small Producers' Organization, and twice this amount as a maximum for the remaining 15% of producers.

Banana

The limit for banana producers is a maximum of 10 hectares in production for 100% of the producers in a Small Producers' Organization.

Herbs and quinoa (Ecuador)

The limit for medicinal plants is 1 hectare in production, and for quinoa, 3 hectares. The criteria for these products in other countries are in the process of being developed.

Peru

A limit of 10 hectares for all agricultural products is in the process of being approved in Peru. In the meantime, producers must contact FUNDEPPO for determining the criteria for each product.

4.4 What are the "serious commitments required of buyers" mentioned in SPP presentations?

The progressive volume criteria for buyer companies requires them to make a serious commitment to SPP producers. Criterion 5.4.3 specifies that at least 5% of their purchases of products certified within the SPP be conducted within the SPP system in a maximum period of two years, and Criterion 5.4.4



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requires that this amount increase to at least 25% in a maximum total period of 6 years. In addition, the stipulation that companies sign the SPP's Code of Conduct requires them to make a significant commitment to SPP Principles and Values.

Minimum volumes

Through the volume criteria (5.4.3 and 5.4.4) established in the General Standard, the SPP prevents a situation in which companies participate only to take advantage of a market opportunity, without making a serious commitment to the small producers' organizations participating in the SPP.

Code of Conduct

All SPP users must agree to the SPP Code of Conduct, which guarantees that SPP stakeholders always act in accordance with the SPP Declaration of Principles and Values, even beyond its SPP transactions. SPP users that violate this Code of Conduct may lose their certification or registration. Companies lacking a firm commitment to the values outlined will hesitate to sign such a code.

5 PARTICIPATION BY COMMERCIAL ALLIES

5.1 What expectations do small producers' organizations in the SPP system and FUNDEPPO have of the organizations committed to fair trade (ATOs)?

Small Producers' Organizations have created the SPP not only to maintain and strengthen their position and identity, but also to create an alliance and common front with the solidarity organizations and companies committed to genuine fair trade, with the aim of together building a different market and a different world, based on shared values.

Direction relations between producers and buyers

The SPP was also created to strengthen an alliance for defending and promoting a particular way of conducting fair trade. The SPP's various principles and regulations promote direct involvement between final buyers and small producers' organizations. The SPP, for example, does not allow SPP contracts to be taken over by intermediaries.

Minimum prices and premium prices that are truly sustainable

The SPP establishes minimum prices, premium prices or organic 'recognition' and an organizational incentive (SPP incentive) in order to cover the actual costs of sustainable production. These prices are established on the basis of producers' comprehensive costs of production and organization, and must be respected in all cases, even when these prices are higher than market prices and even higher than the prices applied by FLO or any other fair trade entity. SPP producers need buyers to commit to these prices in order to be able to survive and to continue to speak of trade that is truly fair and sustainable.



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Shared principles, values and tasks

The SPP Declaration of Principles and Values is not only focused on values that are applicable to small producers' organizations, but universal values such as democracy, transparency, inclusion, small scale, support for local economies, justice, etc. SPP small producers' organizations seek, and committed companies play complementary, symbiotic roles in the joint construction of a different market and a different reality.

Shared issues and struggles

SPP small producers' organizations are fighting on a daily basis to resolve issues that affect not only local realities but also global realities, including climate change, immigration, gender equality, and youth participation in production activities. Companies committed to fair trade share these struggles, and it is necessary to unite forces and create a common front, to demonstrate through actions that there are better, alternative ways of building economies and societies.

Assisting capacity building for small producers

Fair trade has always been focused on generating the local, self-management skills of small producers. The SPP is a result of this capacity building and a tool that promotes the same. By supporting the SPP, buyers facilitate expanding these local, regional and international capacities of small producers, to thus have an impact on not only their own realities but also in local and international public policies.

5.2 Are there comparative advantages in marketing SPP products or is it only a matter of demonstrating solidarity with small producers' organizations?

The advantage for companies committed to fair trade is that the SPP symbol has gained prestige as a symbol that genuinely represents small producers and has a totally independent certification system. Its level of legitimacy and authenticity is very high, and it projects the same values as those held by fair trade companies. In a recently published, prestigious international (French-US) guide to fair trade labels, the SPP is classified as one of the best.¹⁴

Differentiation as a genuine producers' symbol

The SPP offers companies committed to fair trade a way of setting themselves apart in the market in which major companies and multinational corporations increasingly use other fair trade seals. The SPP is distinguished as a fair trade seal backed by producers themselves. In the SPP system, small producers speak for themselves.

Represents the same values as those held by committed companies

¹⁴ <http://www.commerceequitable.org/ressources/les-labels.html>



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The SPP represents values that are exactly the same values held by committed companies, and thus offers an opportunity to strengthen the credibility and positioning of the brands and products of committed companies.

Independent certification

The SPP works with independent, internationally accredited certifiers. The SPP does not have its own certifier. This independence and accreditation makes the SPP's level of credibility and reliability extremely high. SPP certification of the products marketed by companies committed to fair trade gives added value to these products, since they have external backing.

Forming part of a global alliance

The SPP offers committed brands an opportunity to become part of this symbol, and in this way, become an agent of change beyond the scope of the company on its own. Forming part of a global system offers the possibility of creating strategic alliances with a range of stakeholders, producers, other companies and consumers, to jointly defend and promote a different way of doing business, in light of the onslaught on the international free market and the rise of transnational corporations.

Participating in FUNDEPPO structures

When a company is registered as a SPP final buyer, it has the right to participate as a Solidarity Member of FUNDEPPO's General Assembly, with the potential to represent the buyers' sector in the SPP's governing bodies.

5.3 What is the profile of SPP's buyer clients?

100% of the SPP's final buyers are companies committed to fair trade, sustainable production and fair trade organizations, and this is reflected in their mission statements.

Workers' cooperatives and social enterprises

The great majority of companies participating as final buyers in the SPP system are cooperatives or workers' collectives that operate on the basis of democracy, justice and equality and in favor of organized small producers, sustainable production and fair trade, as part of their mission and vision. The rest of SPP companies share the same social and ecological goals, even if they may function as small private companies.

Small and medium-sized companies

SPP companies are small or medium in size, and only cover regional markets. The SPP does not work with brands from major transnational corporations.

5.4 Can a large company participate in the SPP and generate unfair competition for committed companies?

The SPP's various regulations make it practically impossible for a major transnational corporation to participate in the system. Criteria for minimum



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proportional volumes, the code of conduct, and the objection procedures would make it very difficult for a transnational consortium to participate. Due to their very characteristics, they are not 'eligible' companies for the certification and registration process, since they are not compatible with the SPP's Declaration of Principles and Values.

See question regarding ['serious commitments for buyers'](#).

5.5 What are the "different realities" to be constructed through the SPP, as an alliance among small producers' organizations, companies and consumers?

The different realities being constructed together by the various stakeholders involved in the SPP are: more dignified producer communities, in terms of access to health services, healthy food, health and education and justice; stronger local and global economies and ecosystems; more equal societies; and more equal, fair and sustainable trade systems.

SPP Criteria

The criteria met by SPP producers and buyers that are behind SPP products are focused on this type of objectives. See ['SPP criteria for small producers' organizations'](#) and ['criteria for buyers'](#).

Promoting SPP values and contributions

The SPP is initiating programs for promoting the work of SPP stakeholders in favor of global issues such as halting climate change, promoting gender equity, strengthening local economies with the aim of halting migration, etc. These programs allow networking among producers, buyers and consumers in shared projects and activities, beyond certification. The first program being developed is 'Stopping Climate Change, together with Small Producers.'

6 PARTICIPATION IN SPP, FLO AND OTHER LABELS

6.1 Can a small producers' organization be a member of the FLO system and the SPP system at the same time? Does it have to be in the FLO system in order to also become certified by the SPP?

Since they are totally independent systems, a small producers' organization may be in the SPP system and at the same time be certified by FLO and/or other labels. It is not necessary to be certified by FLO in order to be certified by SPP. The SPP system, however, applies some simplified procedures to organizations or companies that already have another fair trade certification such as FLO certification.



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6.2 If one of the SPP's member organizations works with a number of labels at the same time, what does this mean for market possibilities and for its credibility?

Small producers' organizations participate in different certification schemes in order to access different markets and be able to sell all they produce at the best prices possible.

Demand and supply

Depending on the production size of a small producers' organization, it will need to have a number of different certifications in order to sell its production. Furthermore, different markets and different buyers ask for different certifications, in line with buyers' values and preferences. SPP producers fight to increase the demand for products with the SPP symbol, but most do not manage to sell all of their production under this label.

Need for certifications

Multiple certifications are a 'necessary evil' for many producer organizations. They have no other option because they are obliged to sell under the best conditions, or the "lesser of bad" conditions for their producers. Not participating in the different certifications would make it necessary for them to sell their products to intermediaries that typically offer the worst prices on the market and take advantage of producers' needs.