



Informative Guide for Buyers and other stakeholders

Small Producers' Symbol

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1. Presentation

The purpose of this document is to provide basic information about the SPP for Buyers and Enterprises, such as:

- The Small Producers' Symbol (SPP)
- The registration procedures for Buyers and Enterprises
- Criteria of the Small Producers' Symbol applicable to Buyers and Enterprises
- Registration Costs for Buyers and Enterprises

This guide does not replace specific documents, such as policy documents or registration procedures, published on the FUNDEPPO web page www.spp.coop

2. The Small Producers' Symbol?

2.1 What is the Small Producers' Symbol?

- It is a label representing the Sustainability of Organized Small Producers.
- It is a seal that identifies products from small producers' organizations
- Its goal is the sustainable community development and dignified life for families and communities of small producers
- It is an independent and accessible certification system of origin, sustainable production, democratic organization, fair trade and self-management

2.2 Why a Small Producers' Symbol?

- It is part of the struggle of small producers' organizations for a fairer and more sustainable world
- It is one of the next steps in the process of appropriating value chains
- The world economy is increasingly controlled by large-scale businesses and values of domination and exploitation
- Organized small producers want to have their own space in the market, and their own voice and image with respect to companies and consumers

2.3 How does it differ from other labels?

- It is an initiative created and owned by small producers from the South to identify ourselves in the local and international market
- It is an initiative 100% owned by us, the organized small producers.



- ⌘ Its criteria are determined by small producers in order to address the issues they face and the reality they experience, while promoting the quality of their work.
- ⌘ It seeks to strengthen local economies through the production and trading of the final products.
- ⌘ It requires a profound commitment on the part of buyers, against unfair competition and against “fair washing”.
- ⌘ It works with different Certification Entities to facilitate the access and lower the costs of certification, in benefit of the producers and the consumers.

2.4 What do I gain by participating?

- ⌘ You fulfill the great alliance to safeguard the sustainable future of small producers, our communities, culture and projects
- ⌘ You form part of an inclusive market, based on values and principles of sustainability, justice and solidarity
- ⌘ You generate more incomes and help to the process of self determination of the organized small producers.

2.5 Is it a Fair Trade label?

- ⌘ The Small Producers' Symbol is not only a fair trade label, but also one of sustainable production, democratic organization and self-management, strengthening of local economies
- ⌘ The Small Producers' Symbol is based on the principles and values that gave rise to fair trade
- ⌘ The standards of this label establish sustainable prices and rules for fair deals
- ⌘ Our Symbol is part of the movement working for sustainable production, solidarity economy and fair trade

2.6 What is the scope?

- ⌘ Small Producers' Organizations in Latin America, Caribbean, Africa and Asia
- ⌘ Currently, the Symbol is open for agricultural and beekeeping products, as well as crafts. Other products and services of the Small Producers' Organizations can be considered for the certification when required.



2.7 Who launched the Small Producers' Symbol initiative?

- The Symbol is an initiative of the Latin American and Caribbean Network of Small fair trade Producers (CLAC), as part of its efforts to promote the vision, values and principles of Small Producers' Organizations
- Currently CLAC has delegated the administration of SPP to FUNDEPPO, Foundation of the Organized Small Producers.
- Recently is property of FUNDEPPO.

2.8 What is FUNDEPPO?

- FUNDEPPO is the Foundation of Organized Small Producers, Civil Association, founded in 2006 by CLAC.
- The FUNDEPPO's owners are the organized small producers. The owners are not involved in the process of certification as it is established in the 'ISO 65' regulations for certification.
- It has a Board of Directors, a Standards Committee, a Dissents Committee, and a Support's Fund Committee of the SPP.

2.9 Want to know more?

- Find all the information on our website www.spp.coop
- If you have any questions, please contact us at info@spp.coop or call us +52-55-52647205

3. Steps to obtain Registration in the Small Producers' Symbol for buyers and other involved companies

3.1 Become informed regarding the Small Producers' Symbol

- Learn more about the Small Producers' Symbol, its philosophy and values, its standards and certification system.(www.spp.coop)

3.2 Select the Certification Entity

- You may become registered through any of the Certification Entities that have been authorized by FUNDEPPO to operate the Small Producers' Symbol program.



- ⌘ The list of Authorized Certification Entities is on our web page: www.spp.coop. If the certification entity of your choice has not been authorized by FUNDEPPO, ask it to request authorization
- ⌘ In case there is no authorized CE that can provide a timely service, FUNDEPPO can operate the certification service directly.

3.3 Apply for Registration

- ⌘ Ask the Certification Entity of your choice for the most recent version of the Registration Application form, and complete the form, sign it and send it to that entity

3.4 Which options do exist for the certification?

Currently the Certification Procedures options are:

⌘ **Document based Procedure**

- ⌘ **Normal:** It consist exclusively in a Document based Evaluation of the compliance, on behalf of the company to be registered, of the Critical criteria applied of the General Standard.

- ⌘ **Shortened:** It consists on recognizing a Final Buyer, Intermediary o Maquila company that has a Fair Trade Certificate recognized by FUNDEPPO for this goal, in which it is applied a shortened document-based procedure. The shortened document-based procedure only can be applied in occasion the first evaluation of the applicant.

- ⌘ **Complete Procedure:** Consists of an evaluation for all applicable criteria (critical, minimum and continuous improvement) of the General Standard by Buyers, Collective Trading Companies, Intermediaries and Maquila Companies to be registered.

- ⌘ **On-site:** Consists of carrying out the Complete Procedure conducting an evaluation on-site.

- ⌘ **Remote:** Consists of carrying out the Complete Procedure conducting a remote evaluation.

3.5 When it is applied the Registration through the Document-based procedure and when the Complete procedure?



The Document-based procedure and Complete procedure are alternated every year, this rule must be applied always. (If the procedure applied first time was the document-based procedure, the following will have to be the Complete and vice versa). If the applicant prefers, instead of applying the Document-based procedure, in all of the cases can be applied the Complete procedure.

3.6 Completing and Sending in the Evaluation Form

- In the case of both the Document-based Procedure and the Complete Procedure, as soon as an application has been approved, the company will receive an Evaluation Form for completing a self-evaluation of compliance with the Critical Criteria in the General Standard for the Small Producers' Symbol.
- The company should send in the completed Evaluation Form together with support documentation when necessary.
- In case of the shortened Document-based procedure, it is not necessary to send the Evaluation Form, in this case the applicant must send:
 - The certificate it already has, related to Fair Trade and currently in effect, recognized by FUNDEPPO for this purpose.
 - Sworn declaration of the interested party's compliance with the organizational Critical Criteria in the General Standard (Sections 5.1 and 5.3)
 - Details on:
 - I. Information regarding its operation
 - II. Description of company's structure and the group to which it belongs, including a description of its infrastructure
 - III. Information of the suppliers Small Producers' Organizations
 - IV. Products to include in the Registration

3.7 Payment of Registration Fee

- Payment of Registration Fee should be made to the Certification Entity, in accordance with its rates for the procedure to be applied (Documental or Complete).



3.8 Evaluation by Certification Entity

- ☞ The Certification Entity conducts the document-based evaluation and/or site visit, according to the procedure applied, and then issues the evaluation results

3.9 Signing the User's Contract:

- ☞ If the determination is positive, the company must sign a User's Contract with FUNDEPPO for the Small Producers' Symbol

3.10 Issuing the Registration of Conformity

- ☞ After the User's Contract has been signed, Registration of Conformity is granted.
- ☞ Registration must be renewed annually in order to remain in effect

3.11 Payment for Use of the Small Producers' Symbol

- ☞ Final Buyers pay a fixed fee for the products purchased for sale under the Small Producers' Symbol

4. Basic Information on Criteria for Buyers, Collective Trading Companies owned by Small Producers' Organizations, Intermediaries and Maquila Companies:

4.1 Where can I find the criteria that apply to Buyers and other companies involved?

- ☞ The criteria for all stakeholders can be found in the General Standard of the Small Producers' Symbol, located on our web page: www.spp.coop
- ☞ The definitions of the different stakeholders involved are specified in Section 3 on Vocabulary in the General Standard, differentiating between Buyers, Collective Trading Companies owned by Small Producers' Organizations (SPOs), Intermediaries and Maquila Companies



- ⌚ Section 5 of the General Standard is dedicated exclusively to the criteria that Buyers and other companies involved must comply with. The Standard has a series of columns in which it is specified which criterion applies to which stakeholder
- ⌚ The criteria for Commercial Agreements between SPOs and Buyers are specified in Section 6 of the General Standard
- ⌚ It is specified in Section 1 of the General Standard that there may be specific standards for particular products and regions, and they should be consulted when applicable

4.2 What types of Criteria are there?

- ⌚ The types of criteria are explained in Section 3 on Vocabulary in the General Standard. **Critical Criteria** are those that must be fully met at all times, and that will be evaluated in both the Document-based Procedure and Complete (including a field visit) Procedure
- ⌚ **Minimum Criteria** are those that must also be met at all times, but will only be evaluated as part of the Complete Procedure.
- ⌚ **Continuous Improvement Criteria** must be met to the degree that there are real possibilities to work toward complying with them

4.3 What are the main criteria for Final Buyers and other companies involved?

- ⌚ Must be legally registered and have the capacity to comply with contracts.
- ⌚ Must have an adequate administration system
- ⌚ Cannot be large producers of the same product to be purchased from SPOs
- ⌚ Must provide information on the facilities and structure of the subsidiary company or consortium to which they belong
- ⌚ Must have transparent registry of operations under Small Producers' Symbol.
- ⌚ Must guarantee the physical traceability of products to be sold under the SPP
- ⌚ Must be transparent with regard to the portion of their purchases made from small producers' organizations under different symbols
- ⌚ Must purchase products from SPOs in the most advanced stage of processing possible
- ⌚ Must use the services of the Small Producers' Organizations sector before using those of private companies.
- ⌚ Must commit to purchasing a certain volume under the SPP



4.4 Criteria on minimum purchases for Final Buyers

- ⌘ All Buyers (Final Buyers, not Intermediaries) must commit to purchasing at least 5% of their total purchases under the Small Producers' Symbol (SPP) by the end of the second year of registration
- ⌘ After the second year of registration, Buyers (Final Buyers, not Intermediaries) must increase the proportion of their total purchases under the SPP system by 5% each year, until reaching at least 25%

4.5 What is the price system like?

- ⌘ There are three types of prices for the different products:
 - ⌘ **Minimum Sustainable Price**, covering all direct and indirect costs
 - ⌘ **Organic Recognition**, covering the additional costs of organic production
 - ⌘ **SPP Incentive**, stimulating collective work, to be used according to producers' own criteria
- ⌘ Prices are established by producers and their networks, and in turn they consult other stakeholders in the market. Prices are approved by FUNDEPPO's Standards Committee.

5. Basic Information on Costs of the Small Producers' Symbol for Buyers, Collective Trading Companies owned by Small Producers' Organizations, Intermediaries and Maquila Companies:

5.1 Where can I find complete information on costs?

- ⌘ The various costs associated with the Small Producers' Symbol are specified in the Regulations on Costs of the Small Producers' Symbol (SPP), which may be found on our website: www.spp.coop

5.2 What is the difference between a Buyer, Intermediary and Maquila Company?

- ⌘ The complete definitions of the different stakeholders can be found in the General Standard of the Small Producers' Symbol, located on our website: www.spp.coop



- ⚙ We understand a Buyer to be a final buyer, a company that places a product on the final consumer market (under its name or trademark). An Intermediary purchases a product from a Small Producers' Organization and/or sells it to a Buyer, without directly offering the product on the final consumer market
- ⚙ A Maquila Company only offers a service, such as processing, to other companies involved in the chain

5.3 What types of costs are there for Buyers, Intermediaries and Maquila Companies?

- ⚙ **Registration Fee.** This fee covers all the expenses incurred by the Authorized Certification Entity as it carries out a company's registration process
- ⚙ **SPP User's Fee.** This fee applies **only to Buyers (not to Intermediaries or Maquila Companies)** and covers all of FUNDEPPO's expenses for the maintenance, development and quality control of the standards, certification and registration system, and the dissemination and promotion of the Small Producers' Symbol. A third of the revenue from this fee is allocated to the **FASPP**, the Fund for Assistance to Small Producers' Organizations of the Small Producers' Symbol

5.4 How much does Registration cost for Buyers, Intermediaries and Maquila Companies?

- ⚙ The following table should be used when calculating work days for the Normal Document-based Procedure:

Ranges per values of SPP purchases in the previous cycle (in usd)		Work Days
Until	3,000,000.00	1.6
3,000,000.00	10,000,000.00	1.8
10,000,000.00	25,000,000.00	2
25,000,000.00	35,000,000.00	2.2
More than 35,000,000.00		2.4



☞ The following table should be used when calculating work days for the Short Document-based Procedure:

Ranges per values of SPP purchases in the previous cycle (in usd)		Work Days
Until	3,000,000.00	0.8
3,000,000.00	10,000,000.00	0.9
10,000,000.00	25,000,000.00	1.0
25,000,000.00	35,000,000.00	1.1
More than 35,000,000.00		1.2

☞ The following factors are established for the Complete Procedure:

- i. Preparation for visit
- ii. Inspection of main offices
- iii. Inspection of complementary sites (offices, warehouses, processing plants)
- iv. Preparation of Inspection Report
- v. Examination
- vi. Days may be added or subtracted in accordance with various Complementary Factors

☞ To establish the number of days required for each of the various types of work, the Table in Annex 1 in the "Guidelines for defining the Work Plan for Evaluating Compliance" should be used to calculate the work days involved in the Complete Procedure.

☞ Certification Entities authorized by FUNDEPPO may have different rates



5.5 How much is the User's fee for Buyers?

- ⌘ As a general rule, the Buyer pays FUNDEPPO 1% of the total value of the products purchased, on the basis of quarterly reports of its purchases under the SPP
- ⌘ In the case of coffee, a fixed fee of three US cents for each pound of green coffee was established instead of the 1%.
- ⌘ In the case of finished products processed in the country of origin, the following user's fee must be paid:
- ⌘ 0.75% of the purchase value of all SPP-certified ingredients (without considering packaging, crating, processing, etc.) in the case of buying the product directly from a certified SPO.
- ⌘ 1% of the purchase value of all SPP-certified ingredients (without considering packaging, crating, processing, etc.) in the case of buying the product from an Intermediary or a Maquila Company.
- ⌘ Variations from the general rule may also be established for other products, as long as the respective consensus can be reached.
- ⌘ There are no discounts for not using the SPP logo on products. When we speak of the "use of the SPP," we also include any reference to SPP certification

6. FASPP: SPO Support Fund Operation Regulations

6.1 Introduction

- ⌘ The Support Fund for Small Producers' Organizations (SPO) of the Small Producers' Symbol, onwards, the 'SPS-Support Fund' or "FASPP"¹, is a financial reserve created by FUNDEPPO (Foundation of Organized Small Producers) in order to support SPO's which have an incidental financial need related to the Small Producers' Symbol
- ⌘ The SPP Support Fund consists of funds coming from solidarity donations to FUNDEPPO for this purpose², and from a percentage of FUNDEPPO's income out of the payment of the rights of the use of the Small Producers' Symbol on the market

¹ Acronym of its name in Spanish: Fondo de Apoyo para Organizaciones de Pequeños Productores del Símbolo de Pequeños Productores

² At the end of 2011 FUNDEPPO received a donation of \$ 5.000 usd on behalf of Just Us! Coffee Roasters (Canadá).



- The FASPP is managed by FUNDEPPO's operations team, regarding properly its regulations and with the obligation to inform publicly each three months the support granted
- The regulations and the application form of the FASPP have been approved by FUNDEPPO's Board of Directors, as well as eventual changes to these elements

6.2 Conditions

- The FASPP only provides support to Small Producers' Organizations (PPOs) certified by the SPP or from the time it applies for certification
- The Small Producers' Organizations interested in receiving support for the process of certification by the SPP have to send to FUNDEPPO an Application for Support (available at www.spp.coop) together with the Application for Certification (as sent to FUNDEPPO or the Certification Body)
- In all cases, the Application has to be filled out correctly, signed and eventually backed up by additional documents
- The OPP can request support for the costs of certification itself or for the cost of the annual enrollment fee paid once certified. The amounts of the annual enrollment fees are described in the Regulations on Costs, as publicized by FUNDEPPO at www.spp.coop
- Each SPO can only apply to the FASPP once every 2 full years
- The maximum ceiling of the support is \$ 500 US per application
- The Application has to be specific on the amount of support requested
- In the case an OPP is requesting certification of the SPP for the first time, only 50% of the amount requested will be granted before the end of the certification process. The other 50% will be granted only in the case and the time the certification results are positive
- In the case the OPP stops SPP certification process before its conclusion, it must repay the full support given, without deducting any bank charges paid on the receipt or delivery of resources

6.3 Process

- The applications for support have to be sent to the certification department of FUNDEPPO (cert@spp.coop)
- The technical evaluation of the Application for Support is responsibility of the Executive Direction of FUNDEPO
- The responsibility for the approval of the technically evaluated applications for support lies in hands of the FASPP-Committee, which consist in two persons; one designated by FUNDEPPO's Board of Directors and one by the Board of Directors of the CLAC (Network of Latin American and Caribbean Small Fair Trade Producers)



- ⌘ The deadline for the final decision is 30 calendar days as of the date the reception of the application was confirmed by FUNDEPPO
- ⌘ The FASPP-Committee will take its decisions based on the following criteria:
 - ⌘ Chronological order of applications
 - ⌘ The amount requested (the lower, the more probability of approval)
 - ⌘ Disponibility of financial resources
 - ⌘ Quality of the justification of the Application
 - ⌘ Geographic distrubution of the support
 - ⌘ Distribution of support within product-groups
- ⌘ The decisions of the FASPP-Committee can be the following ones:
 - ⌘ Approve the amount of support requested
 - ⌘ Grant a smaller amount
 - ⌘ Request more information to the Applicant through the Executive Direction of FUNDEPPO
 - ⌘ Reject the application
- ⌘ In case of an unconformity with the decision of the FASPP-Committee, the OPP can sent in an appeal to FUNDEPPO's Dissent Committee
- ⌘ In case of doubts or situations not foreseen in this document, please contact cert@spp.coop