IMO Group Office
Weststrasse 51
CH-8570 Weinfelden
Fon +41 (0) 71 626 0 626
Fax +41 (0) 71 626 0 623
info@imo.ch
www.imo.ch

control
IMO
INSTITUT FÜR MARKTÖKOLOGIE

Fair World Project
Attn. Dana Geffner
PO Box 42322
Portland OR 97242

Weinfelden, 21st of November 2012

Your letter of November 4th 2012: Fair for Life labelled Chocolate bars

Dear Dana

Thank you for your letter from November 4, 2012 and for your concern regarding implementation of Fair for Life´s strict labeling rules in case of a chocolate bar sold under Whole Foods Market and Trader Joes private labels.

As you know, FFL labeling and handler control requirements as outlined in the Fair for Life Social & FairTrade Programme, Module 1, are significantly stricter compared to other fair trade standards and are setting a high bar in fair trade labelling and control. In order to live up to our claims it is essential that our own policies and communications are clear and consistent, as you are stating in your letter. We therefore took the time needed to seriously follow up the cases addressed.

Our investigation concludes that indeed the mentioned products are not labelled in line with the 2011 version of the FFL Programme. We would like to respond to the points you raise in more detail as follows:

1) Brand holder certification or reference to certified manufacturer on the label.

As you correctly point out the Fair for Life programme version 2011 requires that either the retailer becomes certified as Fair for Life brand holder, or the product label indicates the name of the certified manufacturer of the product.

As this is a new requirement for Fair for Life product labelling and the manufacturer was certified before according to the previous Fair for Life standard, a transition period of 1 year applied before the new requirements needed to be implemented, i.e. the labels were flagged up this year during the annual evaluation of the certified private label manufacturer. Since this is the first year for some older Fair for Life clients that the new labelling standards fully apply, the challenges to implement the new requirement only became fully apparent now and lead to lengthy discussions on how this transparency clause could be implemented in practice as retailers do not permit to name the manufacturers on product.

On the other hand the product in question is made with Fair for Life cocoa, sourced fairly, manufactured and final consumer labelled by the certified Fair for Life company (including certification of excellent working conditions) and hence all ethical obligations of a fair trade brand until final consumer product labelling are being met. Due to this ongoing discussion on implementation of the mentioned clause, final label approval decisions have been unduly delayed while we tried to find an adequate solution with the certified manufacturer and its clients.

In consideration of all identified obstacles to implement the mentioned clause we intend to slightly modify the necessary minimum indications on products in 2013, which will be send out to stakeholders together with other minor technical changes to the programme in early 2013. In the meantime we will need to inform the manufacturer that the Fair for Life seal can no longer be used on new product labels for private retailers unless there is there is reference to the Fair for Life certified handler. The logo has already been removed from products sold to WMF.

2) Composition and Product Labelling

Thank you for your question regarding the fair trade percentage of the product. We have investigated the matter in depth and must conclude that indeed there have been some shortcomings in labelling verification in this case, which we very much regret and are in process of correcting with immediate effect.

The product label in question was approved under the previous Fair for Life programme just before the new programme came into force. Under the old programme, only the fair trade certifiable ingredients counted for determination of the fair trade content (as many fair trade certification schemes) and thus the milk content was excluded from the calculation. At this point no Fair for Life certified sugar was available and the company also could not buy in sugar certified under equivalent fair trade schemes due to restrictions by these schemes. Then the new programme labelling requirements came into force, but previously certified companies were given a 1 year period to apply the new requirements fully (see Fair for Life programme 0, Prologue). The 2012 audit took place in early October 2012 and the final label corrections (also with regard to the required reference on retailer with own brand products) are still being discussed with the manufacturer.

We realize that the evaluator in charge failed to immediately flag up already earlier that the previously approved composition needed to be fully re-assessed and the labelling category corrected to "made with Fair for Life cocoa". In reaction to this error, IMO is now performing an internal audit to verify once again that all previously approved formulations are fully cross-checked to meet current requirements. We have scheduled an additional update staff training in this regard to ensure that this error will not happen again. Also we will obviously notify the manufacturer that the product may not display the Fair for Life logo on front label and must comply with the labelling requirements in the "made with Fair for Life …" category.

We thank you for bringing this issue to our immediate attention. It is being urgently corrected in line with the very strict and far reaching requirements for Fair for Life certified handlers and brand holders who must comply with various stringent fair handling requirements including fair working conditions for all their staff and annual physical audits.

With kind regards to the Fair World Team,
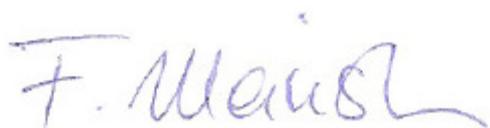
Florentine Meinshausen   Julia Edmaier
Fair for Life Programme manager   Head of Social & Fair Trade Certification