Bamboo Handicraft Products
Fair Trade / Marketing study

Final report
Rob Ukkerman, May 2010

To Brand or not to Brand…………….that is the question

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1. Introduction

The Fair Trade Marketing Study for Bamboo handicraft Products in Lao PDR was done by Rob Ukkerman, regional network leader Forest Products, on request of SNV-Laos from mid-March till mid-April.

The objective of the consultancy was to identify suitable/reachable markets for Lao products and develop practical recommendations for organisations to further support involved producer groups in getting access to proposed markets.

The Key Questions were:

- Where are the markets for certified bamboo products?
- What are the bamboo market requirements?
- Which bamboo products in Laos would be able qualify?
- Would Fair Trade provide best opportunities for bamboo crafts? If Y/N to provide suggestions for follow up.

This study comprised of:

- A desk study analysing SNV’s bamboo related market scans, value chain analyses and case studies, internet research and telephone interviews with stakeholders;
- A visit to Lao PDR to have meetings with SNV advisers, other NGO’s and the private sector.
- The writing of the report.

The conclusions and recommendations are presented according to the six expected outputs of the ToR (chapter 4) and summarized below.

**Main conclusions and recommendations:**

- Certification is still scarcely applied in the Mekong region. For bamboo handicrafts the best option would currently be WFTO Fair Trade certification or branding as being authentically Laotian.
- The INGO Handicraft Group should secure full time coordination and external expertise to run a program to support certification or branding of handicraft products as a joint activity of its members for the next 2-3 years.
- SNV should support EDC within the Young Professional Program to get a better understanding of standards and certification systems relevant to Lao handicraft products.
- SNV should support a pilot to bring a selected number of bamboo handicrafts as certified or branded products into the (tourist) market within one year.

This report gives an overview of the relevant certification systems, an overview of the main conclusions of telephone interviews and meetings and finally recommendations to SNV and other relevant stakeholders on how to promote bamboo handicrafts.

I would like to thank all the persons who made time available for interviews and meetings, responding mails and reviewing the draft report, being: Martin Greijmans, Boualay (Keo) Oudomvilay, Sith Soukchaleunphone, Souvannpheng Phommasane & Nicolette Matthijsen (SNV), Rio Pals (Helvetas), Martin Albani (PI), Thibault Ledecq & Sylvie Ratsombath (WWF), Buakhai Phimmavong & Nicolas Tomecko (EDC), Thepsulinthone (Et) Vannalath (Camacrafts), Bandith Ladpakdy & Chanthalangsy Sisovanh, (Saoban), Martina Meckel & Chris Cox (FLO) and Jolanda Jonkhart (INBAR). I hope that this report will be of use for you in supporting the development of the bamboo handicraft sector in getting access to new (certified) markets.
2. Overview of the certification systems

2.1 International certification standards

FSC - Forest Stewardship Council (www.fsc.org)

FSC certifies sustainable forest management according strict environmental and social standards. Additionally FSC has a chain of custody certification system which tracks the product from the producer to the consumer. Currently few forests in the Mekong are FSC certified, while a large number of furniture factories in Vietnam (around 160) are CoC certified, sourcing their timber from outside the Mekong region. The reason for the low number of certified forests are the strict rules on sustainable forest management and high costs to get certified. In Laos the WWF-project has a certified forest which will shortly produce certified rattan for the British market. In Luang Prabang a teak forest is being certified which will sell timber to the European market. In neighbouring Vietnam an industrial plantation that produces pulp for Japan has FSC certification, while certification of small-holder Acacia plantations is being piloted within the WWF-SNV partnership. For bamboo in Laos FSC is not yet an option as the process is complicated and costly and can not be justified for the current value of production. WWF argued that there is no shortage of bamboo in Laos, so no need for certification (this might not be the case everywhere). Promoting sustainable bamboo production and harvesting practices without certification is currently considered the best way forward to guarantee sufficient resources of good quality. SNV is member of FSC (Social Chamber North) and the author of this report is SNV’s contact person to FSC.

FLO - Fair Trade Labelling Organisation (www.fairtrade.net/home.html)

The Fairtrade Labelling Organizations International (FLO), created in 1997, is an association of three producer networks and twenty national labelling initiatives that promote and market the Fair trade Certification Mark in their countries. The FLO labelling system is the largest and most widely recognized standard setting and certification body for labelled Fair trade. While FLO sets the standards and supports producers to meet them, an independent certification company, FLO-CERT, regularly inspects and certifies producers and traders against the standards in more than 50 countries in Africa, Asia, and Latin America.

FLO mainly certifies agricultural products and has specific requirements per product (coffee, tea, oranges, bananas, honey, etc.), but does not deal with bamboo and handicrafts. FLO is the only Fair Trade organisation that guarantees a minimum price and provides premiums to producers.

FLO-CERT GmbH is an independent International Certification Company offering Fairtrade Certification services to clients in more than 70 countries. As such a company it assists in the socio-economic development of producers in the Global South and helps to foster long-term relationships and good practice with traders of Certified Fairtrade products. The Certification provides a guarantee to consumers of Certified Fairtrade products that they are contributing to the Social-Economic Development of people through their purchases. See more on: www.flo-cert.net/flo-cert/

In Laos FLO-CERT has certified two coffee cooperatives and Lao the Farmers Products Association.

SNV has a partnership with FLO in 9 African counties and currently no activities running anymore in Asia (earlier there was a joint activity on the production of leather balls in Vietnam). The objective is to increase Production, Income and Employment of producer groups, assist groups to get FLO certified and remain certified and ensure that all stakeholders are fully integrated in the respective value chains. Contact person is Lawrence Attipoe, director of SNV Zimbabwe.
WFTO - World Fair Trade Organization (www.wfto.com/)

The World Fair Trade Organization (formerly the International Fair Trade Association, IFAT) is a global association created in 1989 of Fair trade producer cooperatives and associations, export marketing companies, importers, retailers, national and regional fair trade networks and fair trade support organizations. In 2004 WFTO launched the FTO Mark which identifies registered Fair Trade Organizations (as opposed to the FLO system, which labels products). World Fair Trade Organization Asia (www.wfto-asia.com/) is a regional office of WFTO.

Organisations can become member and use the WFTO trade mark, but the products are not separately certified and not branded individually as Fair Trade. To become provisional member the organisation has to fill out an application form and nominate three referees. After being accepted the organisation will have to pay the yearly fee and submit a Self-Assessment Report against the ten WFTO standards to become a registered member. The Self-Assessments have to be repeated every two years and 10% of the organisations get an independent audit each year.

WFTO is introducing a new stricter certification system and one British company is certified now. It is not clear how members and certified organisations will coexist.

IMO social responsibility and fair trade
IMO, the Institute for Marketecology, was mentioned by one of the interviewees as an option in between FLO and WFTO. "Fair for life" is a brand neutral third party certification programme for social accountability and fair trade in agricultural, manufacturing and trading operations. The programme complements existing fair trade certification systems. IMO includes Fair Trade, Organic and Forest certification and links to existing certifications standards (e.g. IFOAM and FSC) to achieve this. IMO has a number of offices in Asia, Vietnam being the closest to Laos.

The Union for Ethical BioTrade (http://www.ethicalbiotrade.org/index.html)
The Union for Ethical BioTrade was mentioned by one of the interviewees. The procedure to get certified is quite strict with independent verification (like FSC and FLO), which will make it costly. It is a new player and most certified members are in Latin America. This is not an option in Laos at the moment.

International Federation of Organic Agriculture Movements (IFOAM) (www.ifoam.org)
IFOAM is the worldwide umbrella organization for the organic movement, uniting more than 750 member organizations in 116 countries. It promotes organic agriculture that is based on four principles: the principle of health, the principle of ecology, the principle of fairness and the principle of care. In the rapidly growing environment of marketing and trade of products claiming to be “organic,” IFOAM provides a market guarantee of the integrity of organic claims. The Organic Guarantee System (OGS) unites the organic world by providing a common set of standards for organic production and processing, and a common system for verification and market identity. The IFOAM Organic Guarantee System enables organic certifiers to become IFOAM Accredited and for certified operators to label their products with the IFOAM Seal, next to the logo of their IFOAM accredited certifier. More than 35 certifiers worldwide participate in IFOAM accreditation.

The IFOAM Accreditation Program is implemented by the International Organic Accreditation Service (IOAS). IFOAM's Basic Standards (IBS) and Accreditation Criteria are generally respected as the international guideline from which national standards and inspection systems may be built.
ICEA, Ethical and Environmental Certification Institute (http://www.icea.info/)
ICEA is a broad certification institute covering organic, fair trade, forestry and tourism certification, based in Italy and mainly active in Europe. The website shows a wide scope of certification standards and related issues. According to one of the interviewees there is a Lao certification body under the Ministry of Agriculture and Forestry that is accredited by ICEA for organic products.

FairWild Foundation (www.fairwild.org)
This relatively new initiative is developing standards to certify sustainable use of wild-collected products.

2.2 Fair Trade in Laos

Fair Trade Laos (http://sites.google.com/site/fairtradelaos/home)
Fair Trade Laos is an affiliation of Laos based trading organizations committed to practicing (WFTO) fair trade principles in their business activities, building a local awareness of fair trade to encourage sustainable development and better trading conditions for producers and workers in the Lao PDR, providing a national identity for Laos based fair trade organizations, and promoting local and export market opportunities. Interested organisations can download an application form to become member on the website.

The Fair Trade Laos members are WFTO member or in the process of developing fair trade compliance. The WFTO members are Camacraft, Mulberry and Mai Sanavh Lao.

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Lao Handicraft Association (LHA)
The Lao Handicraft Association is a group of over 100 handicrafts producers from Laos. The products include jewelry, textiles, carpets, metal work, wood crafts and other handicraft items, all of which are made from local materials by local artisans.
The website provides interesting information of handicraft production techniques, news and upcoming events. It also has a handicraft producer directory, which holds information of over 100 local handicraft producers. The members of the Lao Handicraft Association use a common brand. The website http://www.laohandicrafts.com/home.cfm was not accessible in early April 2010.
3. Overview of interviews and meetings and main findings

- **Meetings with SNV advisors: Boualay (Keo) Oudomvilay, Martin Greijmans, Sith Souckhaleunphone & Souvanhpheng Phommasane (17-23/3/2010)**

The SNV advisers were asked to fill out a table with products that are made and sold in their intervention area and to indicate certification potential for each product. The bamboo products that SNV supports currently are mainly sold in the domestic market. Fair Trade Certification for bamboo handicrafts is the preferred option when expanding to export and tourists markets. The ambition is to have certified products by 2012.

The bamboo handicraft sector is characterised by low volume, scattered production and is not well organised. Will certification give access to new markets? Tourists like to go to handicraft villages to get a good story. If they buy in a shop or hotel, they have to be made aware of the story behind the product to be sure that the product is made in Laos. The Thai market is currently not important for fair trade Lao bamboo handicraft.

An important issue for exporting bamboo products is fumigation to make them insect free. Knowledge is still lacking on how, by who, where and what should be used and how this will be certified and at what costs.

Houaphanh is producing higher quality products than Vientiane. Transportation costs are high as it takes a day by road to get to Vientiane. Products from Houaphanh are not sold in Luang Prabang yet.

- **Meeting with Dr. Martin Albani, Prosperity Initiative, 19/3/2010**

Martin Albani works on marketing bamboo products for Prosperity Initiative. He indicated that there is no differentiation in the market between Lao and foreign (Thai, Vietnamese, etc.) products and little product information. Branding is not yet done and is an option only if good quality products can be guaranteed. The best way of promoting Lao bamboo products would be labelling the product as authentic Laotian and adding a “story” about the product mentioning the province of origin, who made it and what it is used for. Don’t mention poverty. The products must be of good quality from the start.

For bamboo products the largest potential is for packing materials, like boxes for tea, coffee, silk and other products. The duty free shop in Phnom Penh airport has nice bamboo packaging material for cosmetics and spices.

- **Meeting with Rio Pals, INGO Handicraft Group. 22/3/2010**

Laos has a Fair Trade Laos Group, the Lao Handicraft Association and an INGO Handicraft Group. Rio coordinates the INGO Handicraft Group and sees the advantage of working together on exporting Lao products. She wants to establish the Lao Fair Trade Association and see if it can become WFTO member. It is however difficult to register as NGO or business association in Laos.

Members of the INGO Handicraft Group are: WWF, SNV, Helvetas, PI, DED and EDC.

The only markets for Lao products are niche markets like Fair Trade as volume is too small to compete with China and Vietnam on regular markets. Quality is low still too, but can be improved. A Fair Trade benchmark helps companies to organise themselves better for getting access to export markets. IMO is an option in between FLO and WFTO.
INGOs are involved supporting producers, mainly of bamboo and rattan, but also of silk (Helvetas), cotton and sesame oil (DED).

Other support to producer groups is in:
1. leadership training, accounting,
2. quality & design,
3. technology,
4. marketing: domestic, export and certification,
5. sustainability: bamboo, rattan (silk).

NGOs work small scale and don’t have a budget for all 5 activities, but can hire expertise by pooling (e.g. recently a design student). DED wants to support the fair trade sector by hiring an international short term expert.

There is a role for INGOs to link community based user groups with companies. (Market based solution?).

Rio has two ideas on improving access to Fair Trade markets for Lao producers:

1. Create a pool of experts, as much is currently being done ad-hoc and not in a coordinated way. The choice has to be made to either:
   - Provide an integrated package of marketing, export/import requirements (including certification), design, quality, technology, sustainability or
   - Concentrate on marketing & export/import requirements (since most INGOs already deal with the other issues)

   The next step would be to develop a concept note for hiring a coordinator of the group and short term expertise in the fields mentioned above. These international experts should train Lao staff of the involved organisations. The question is where to locate this initiative: with a company, an INGO, the Lao Handicraft association, Fair Trade Lao association or NLCCI. Companies are very protective, INGOs are easier in collaborating.

   Funding could come from the World Bank, IFC, SDC or SIDA (leaving Laos, but still has money to spend on environment and sustainability)

2. Develop a proposal for SNV’s Young Development Program. SNV and EDC junior work together for two years to give an overview of all standards and certification systems to provide knowledge on the requirements and who are experts on these issues, which can be used to advise LNCCI and Ministry of Commerce. Government support is focused on big companies, while the SME sector is vital for a healthy economy.

There is a Lao certification body under the Min. of Agriculture and Forestry that is accredited by ICEA for organic products.

Rio has visited the European Fair trade market in Lyon, which gives access to many interested buyers.

- Meeting with Thibault Ledecq & Sylvie Ratsombath, WWF and Buakhai Phimmavong & Nicolas Tomecko, EDC, 23/3/2010

As a result of the WWF-SNV partnership (2007-2009) certified rattan will soon be exported to the UK. There is a lot of demand for FSC rattan furniture in the UK and a group certificate will be granted in the SUFORD area. The DoF will be certificate holder. The baseline is rattan and not wood, so something similar would be possible with bamboo too. As foresters we should go for FSC certification, but there is no in shortage bamboo, so no need for certification.
Certification is mainly for external markets. In Laos there is a limited distribution for fair trade products as only few shops sell them. Currently Lao people don’t care for Lao products; increased interest will only come with increasing welfare. Branding products as Lao can be complicated as with silk products when the primary material is imported and processed in Laos.

The INGO Handicraft Group should plan for the coming 2-3 years (example: NTFP network in Cambodia). It is first important to map out what everyone is doing, which skills and resources are available and then make a realistic plan and integrate it in everyone’s work. A concept note should then be written and presented to potential funding organisations (FAO, SDC, etc.). Link to Forest Connect. Some issues are:

- Business plan: design, marketing, financial administration.
- Marketing is part of the problem in Laos: entrepreneurial attitude, people change easily.
- Concrete results are needed with stories telling good things for the export market.
- WWF is getting a student from Lund University to look at clean green products.

OTOP in Thailand was sponsored by JICA but having problems now. In Cambodia the Artisans’ Association of Cambodia (with over 40 members) is WFTO-Asia member.

- **Visit to Morning Market Vientiane (20/3/10)**
  A number of handicraft shops were visited, but none had good product information. The Sinouk coffee shop, that is popular with tourists, sells coloured (not natural dyes) bamboo tea boxes with green tea at Kip 45,000. They provide information on a band mentioning *Souvenir of Laos, Sinouk tea, Phonsaly smoked green tea (50g)* and *Thank you! In buying this item you help the men and women who, by hand, have made this bamboo box to market out their skills and you participate so, to assure a sustainable development of their village*. The development context is mentioned concerning the bamboo box, but there is no reference on how the tea is produced.

- **Meeting with Mr. Thepsulinthone (Et) Vannalath, Camacrafts (23/3/2010)**
  Camacrafts is a social enterprise, which markets handicrafts from the Lao P.D.R. and was established in 1994. These crafts are handmade by Lao and Hmong village women using traditional patterns and skills. Camacrafts is the first WFTO member in Laos. As WFTO member they have to submit a self-assessment report every two years. There are regular checks by WFTO of the conditions under which production takes place. Camacrafts chose to profile as Fair Trade as they were already applying fair trade principles, like paying fixed and higher prices than in the local market, training producers and providing designs and applying long-term arrangements. They buy directly from the producer.
  Apart from well designed, upmarket shops in Vientiane and Luang Prabang, Camacrafts exports to USA, Canada, Switzerland, Japan and Australia. They also attend international fair trade fairs.

  There is little to no information on the products in the shop, but a brochure is available listing the main products. The WFTO logo is used in the shop, in the brochure and on the website, but no reference is made to Fair Trade explicitly.
  Camacrafts is linked to Mulberries (only selling silk products) and Phontong Handicraft.
• Meeting with Mr. Bandith Ladpakdy & Ms. Chanthalangsy Sisovanh, Saoban (23/3/2010)

Saoban makes beautifully handcrafted silk, silver and bamboo products directly from the villagers of Laos. When you purchase a Saoban product you provide a income for the village artisan, and you support a school and community.

Saoban is an NGO that started in 2005 supporting villagers in Vientiane province in capacity building on technical and marketing skills, micro finance and organizing village fairs. Saoban is member of the Lao Handicrafts Association but not yet of WFTO. There is a small shop in Vientiane with an unpretentious atmosphere, while export is just beginning to USA and Australia. Saoban silk products carry a label mentioning Made in Laos.

Saoban is member of and housed in PADETC (Participatory Development Training Center). Mr. Bandith proposed to set up a Vientiane entrepreneur club.

• Interview with a Lao consumer (SNV staff) (22/3/2010)

Quality and price are the main criteria when buying handicrafts like bamboo products and silk for making cloths. Good quality for higher prices is preferred. Lao products are preferred when buying furniture or silk (easy to distinguish as Lao silk uses natural dyeing, while Thai silk is smoother). Labelling products as fair trade would not make a difference as there is a lack of trust in the local market. Most important is to improve quality, like for bamboo products to protect them against insects.

• E-mail contact with Martina Meckel and Chris Cox of FLO

FLO does not have Fair Trade standards for bamboo, but would be interested to develop them together with another organisation. They are working on rubber standards and the NTFPs are on their mind, as more and more interest is coming up.

• E-mail contact with Jolanda Jonkhart, INBAR China

Fair Trade certification is probably a long way away for the products that INBAR is usually dealing with. For the handicrafts products nothing has been certified as mostly it is not for export, but local markets in China. FSC certification is indeed perhaps difficult if the harvesting of bamboo is done at very small scale scattered all over the place. This makes organic certification also not really possible, apart from the fact that it is not practical and too expensive.

• Telephone interview with Craft Link (9/3/2010)

Craft Link is the leading not-for-profit organisation working with handicrafts and producers in Vietnam. The Craft Link Association of Craft Producers is comprised of more than 40 producer groups, most of whom belong to ethnic minorities. They only source from Vietnamese producers as they are plentiful and are not interested in products from Laos. Craft Link operates a shop in Hanoi and exports handicraft.
Craft Link practices fair trade, ensuring that the producers earn fair wages, but do not carry the WFTO label. As WFTO is setting up a labeling system, the concern is that it will become expensive to get certified.
Craft Link coordinates exhibitions and bazaars to raise awareness of ethnic minority crafts and culture and cooperates with Vietnamese institutions such as the Vietnam Museum of Ethnology to document and revive traditional crafts.
The last update of the website (http://www.craftlink.com.vn/about-craft-link-vietnam.htm) seems to have been in 2001.

- **Lao Rattan Handicraft Website (http://edclaos.com/lfc/)**

Lao Rattan Handicraft Website is established under the Forest Connect Initiative and maintained by the Enterprise & Development Consultants in Lao PDR. The website aims at bringing these products closer to the world market, but ordering these products can only be done through prior e-mail contact or phoning or visiting the shops. The products, ranging from small office items to furniture, are made by the small producer groups and well-established companies. Importantly, the products are partially made of rattan that is bought from the sustainable community-managed forests.
This is still very much work in progress, but can eventually become a sales window to the world of high end bamboo and rattan products.
Ebay’s World of Good is an example of a professional web shop for Fair Trade and Eco-friendly products which includes shipping arrangements. High prices can be asked as the products are sold in small quantities and related to creating a good feeling. The website: http://worldofgood.ebay.com/Home-Garden/Baskets/74/list?SortBy=1&ipp=40&PageNumber=3

- **Phnom Penh airport (24/3/2010)**

At the international airports in Cambodia Artisans d'Angkor have duty free shops with a wide range of products from Cambodia (ornamental sculpture, lacquer ware, silk weaving and silk painting). Bamboo is mainly used as packaging material for spices, candles and other things. There are no Fair Trade or other labels, but Artisans d'Angkor promotes the fair, sustainable development of Cambodian arts and crafts with benefits to rural communities. It provides training to young Cambodians, enabling them to rediscover lost ancient talents and make a living from their skills while working right in their home villages. It has created over 1,000 jobs, of which 624 involve craftsmen.
The products come with a description on a separate card that you can take freely or leave according to your interest to learn more about the product.
4. Conclusions and recommendations

*To Brand or not to Brand…………….that is the question*

The current study aims at identifying market opportunities for bamboo products through certification. The concept of certification was expanded a bit to also incorporate branding of products as being authentically Laotian. This explains the free interpretation of Shakespeare’s famous saying.

The conclusions and recommendations of the study are presented according to the expected outputs of the ToR.

1. **Provide a general overview of certification systems for bamboo products (like FLO, FSC, IFOAM, etc.) and their requirements (standards) for bamboo certification in production and processing/marketing stages.**

Chapter 2 presents an overview of the major certification systems that can be relevant for bamboo products, while annex 5 provides more details for the major standards.

General advantages of certification are:

- Applying quality standards that guarantee minimum economical, ecological and social criteria, including health hazards.
- Organising production better according to standardised procedures and thus producing better quality products that can be sold in niche markets and thus will fetch higher prices.
- Access to a market with a balanced governance structure as there are only a few buyers and few producers, guaranteeing long term sales relationships.

2. **Inventory of current certification initiatives in Laos and possibly neighboring countries (Thailand, Vietnam).**

Certification in the Mekong region is still in its initial stages. The most striking example is Vietnam which is one of the major exporters worldwide of FSC certified (indoor and outdoor) furniture, but has to source FSC certified timber from abroad. The first forests and plantations will soon be ready for FSC certification. Simultaneously the government of Vietnam has set ambitious targets (30% of the production forests certified in 2020), which shows a clear steering role by the government in promoting certification (as an answer to stricter regulations in the EU and USA on legality of timber products).

In Laos there are a few initiatives concerning FSC certification, led by WWF and SUFORD. These concern timber and rattan certification after establishing export markets. Additionally there are a few organisations that have engaged in fair trade by becoming member of WFTO, the easiest way to market fair trade products.

Neighboring Cambodia, with a large tourist market and a multitude of supportive INGOs, has a number of organisations and the Artisans’ Association of Cambodia that sell branded products either using WFTO or referring to *made in Cambodia*. Cambodia can provide examples on how to produce and market fair trade / branded products for organisations in Laos and study tours may be worthwhile considering.
3. **Assessment of the suitability of bamboo products in Laos for certification according to one of the systems under 1) with specification of related markets.**

From interviews it became clear that the major scope for certification concerns bamboo handicraft products. This excludes bulk products like mats for the construction industry in Thailand for which certification is not required. Bamboo shoots are mainly sold in the region, Laos, Vietnam and China, and in these countries there is no market for certified products. This means that organic certification currently is not an option.

The majority of bamboo handicrafts in Laos are currently characterized by low quality and quantity, as compared to neighboring countries. As it will be easier to improve quality than increase quantity, a number of organisations are targeting niche markets that require high quality and certified products. Consequently the amount of bamboo required will be limited, which would make certification according to the **FSC standards** for sustainable forest management a cumbersome and costly process. It was also noted by WWF that bamboo resources are still plentiful in most of the country. So unless a secured and large demand of FSC certified bamboo products is required or the bamboo products can be sourced from already existing FSC certified forests, of which only few currently exist in Laos, FSC certification is currently not recommended.

The third category of certification standards is **Fair Trade** certification. A number of options are presented in this study of which FLO and WFTO are the global leaders. **FLO** sets standards for a number of mainly agricultural products while the independent certification body FLO-CERT verifies compliance to the standard. This compares to the FSC system requiring high investments at the start to produce and process according to FLO-standards. A part from that, there is no standard yet for bamboo, so that excludes FLO certification as an option.

**WFTO** applies a “lighter” Fair Trade certification system, as the organisation that wants to use the Fair Trade label only has to become member of WFTO and the products which are sold are not certified separately. Three companies in Laos are WFTO member, while in neighboring Cambodia and Vietnam organisations also use WFTO certification for bamboo and other handicraft products. Currently WFTO provides the best certification options for organisations trading in bamboo handicraft.

As stated earlier, a part from certification, it was also discussed if **branding** could be an option to distinguish Lao products from imported products from neighboring countries. Organisations which are member of the Lao Handicraft Association are already using one brand.

Lao consumers are not sensitive to branding or labeling and there have never been **Buy Lao** campaigns. However there is an awareness of where products have been produced and those who can afford it, are able to distinguish and buy quality products produced in Laos.

The main target group for branded products would be the **tourist market**, as tourists prefer to buy souvenirs that are made in the country they visit and can not always distinguish well between local and imported goods. For **export**, certification is a more powerful tool than branding, as Laos as a country is not well known and would not draw extra attention to a product, neither will branding give access to specialized Fair Trade shops.

A number of people mentioned that when labelling a product as authentic Laotian it would be good to add a **story** about the product, mentioning the place of origin, who made it, how it is made (e.g. only with natural materials) and what it is used for. This concept is used by a few producers already in Laos and also by Fair Trade shops abroad, but there is potential to expand it and generate interest from mainly international buyers (tourists and export).

Brand names could be: Made in Laos, Lao Handicraft, Lao Green Products, Go Laos, etc. If a brand becomes well accepted, an issue might be that others copy it for non-Laotian products, but that may be something only for the future. First a major challenge would be to establish a Lao brand and add a story about the product to it.
4. Identification of necessary measures for selected bamboo products in Laos to get certified and institutional support needed for this.

A number of steps have to be taken to get certified products to the market, which would be mainly export and tourist markets (this is not a fixed order and some steps can be taken simultaneously):

- Identify which products would meet the requirements of international buyers. Good quality handicraft products that are highly appreciated by Lao buyers, might not be of interest for tourists (size, use, appearance) or export and may need to be adapted.
- Identify and train groups that can produce these handicrafts. Add a story to the products.
- Chose the certification system that would give best and easiest access to international markets. WFTO looks like the best choice currently as only the organisation has to become member of WFTO and the products do not need to be certified separately.
- Identify which organisation should become WFTO member or link with an existing WFTO member that is willing to support the export of certified bamboo handicrafts.
- Facilitate arrangements between the certified organisation and the producer groups.
- Analyse the institutional arrangements in Laos around certification and advise how they can be made more supportive if necessary. This includes identifying the right government institutes to partner with.

5. Advice to SNV-Laos on next steps in this field. (E.g. How to include certification of bamboo in program proposals.)

SNV is member of the INGO Handicraft Group and plans already exist to coordinate activities to strengthen this group and its interventions in the handicraft sector. SNV’s intervention in bamboo handicrafts can greatly benefit from this and should also look at RM options through the group to contract additional needed expertise.

The following two proposals can be implemented simultaneously:

A. During the discussions a number of activities for the INGO Handicraft Group were proposed for the coming 2-3 years which have been used to do the following recommendations:

- Stakeholder mapping: map out which organisations are currently member and which could be interested or of interest to the group to join.
- Map out what the different member organisations are doing, their focus and which skills and resources are available.
- Hold a visioning workshop to decide what the group wants to achieve in the next 2-3 years resulting in a strategic plan on strengthening the handicraft sector in Laos. Some members want to restrict the group’s joint interventions to analysing marketing & export/import requirements, while others want to cover an integrated package of activities: marketing, leadership, accounting, export/ import requirements (including certification), design, quality, technology and sustainability.
- Make a realistic action plan based on the strategic plan and integrate it in current work plans of the member organisations.
- Identify which expertise is missing and how this can be secured.
- Identify how coordination of the group can be guaranteed and how the group can be institutionalised. A major question is where to anchor this certification initiative with a private enterprise, EDC, LNCCI, Lao Handicraft Group, Fair Trade Lao association or others to guarantee local ownership and long-term sustainability. While bringing in short term external expertise, care should be taken that Laotians are trained to take over in the long run.
- Identify funding organisations that might be interested to support this initiative (World Bank, IFC, SDC or SIDA?).
• Write a concept note to secure additional funding to guarantee long-term coordination of the group, hiring short-term expertise and undertake activities to promote certification of Lao handicraft products.
• Identify how the enabling environment for certification / branding and support to SMEs can be improved.

B. SNV- Laos has introduced a Young Professional Development Program as first country in Asia. This program can support certification initiatives by placing a junior for two years at EDC who with SNV support would provide an overview of all standards and certification systems relevant to Lao handicraft products. This would support the INGO Handicraft Group members and national organisations like the LNCCI in gaining knowledge on the requirements for certification standards and on who are experts on these issues.

6. Provide real options which can pay off within 1 year, also providing a TOR for the SHCC network leader to provide follow up marketing support.

Above two options have been sketched to gain access to fair trade markets through a joint effort of members of the INGO Handicraft Group and by assigning a young professional to make an overview of standards and certification requirements. It might take some time till these initiatives show their first results. Therefore it is recommended to develop a small program to get some quick successes which can be an example for the other initiatives and keep and increase interest in certification. This program should be well aligned with the other initiatives of the INGO Handicraft Group.

The challenge would be to bring one or a few bamboo handicraft products to the market as certified or branded as sustainable Laotian. Answers have to be found for the following questions:
• What: products that are currently being produced in SNV’s intervention provinces and show appeal in the international market (start with the tourist market in Laos and later expand to export markets) and can easily be produced. Packing material might be an option (coffee, tea boxes etc).
• Why: to increase quality of the handicraft products in order to get access to markets that guarantee long term demand and fixed prices or price premiums.
• By whom: production should take place by organised community groups that get proper trainings and develop a good story around the product. Care should be taken that quality products are brought to the market from the start.
• With whom: the easiest would be to join an existing certified enterprise to put the products in the market. Currently there are only three WFTO members in Laos and they source their products from specific groups. It might be hard to gain their interest. Another option would be to identify an international certified trader who would be interested in Lao handicraft. If certification is too difficult, joining an enterprise that has a reputation equal to fair trade would be second best (like Sinouk?). Supporting an organisation to become WFTO member should be done in the framework of the INGO Handicraft group and will take more time.
• How: with facilitation by SNV and other INGO Handicraft Group members if possible in cooperation with a LCB. This can be seen as a pilot of the INGO Handicraft Group and might not need extra funding if the above mentioned activities of the INGO Handicraft Group are financed.
• When: the activity should start immediately and show results within a year, which can feed into the INGO Handicraft group program.

An example would be to select bamboo handicraft products from Houaphanh with a tourist appeal and negotiate space in the Saoban shop. Together with Saoban a marketing strategy for these products can be developed and sales should be closely monitored. This not only concerns the quantity of products sold, but also trying to get an idea which products are attractive and why.
Simultaneously the interest and possibility for Saoban to become WFTO member can be assessed and achieving membership can be supported.

**Activities to be undertaken by SNV-advisers to implement the recommendations.**

<table>
<thead>
<tr>
<th>Recom.</th>
<th>Adviser</th>
<th>Activity</th>
<th>Expected Outputs</th>
</tr>
</thead>
</table>
| 4. & 5. | International NTFP | • Support to INGO handicraft group | • Coordinated efforts to promote handicrafts by involved organisations (e.g. by certification or branding).  
• Increased market access for Lao handicraft products contributing to PIE.  
• Increased funding for coordinated handicraft activities.  
• Improved enabling environment for the handicraft products VC. |
| 5. | International NTFP | • Initiate Young Professional Development Program with EDC and coach the young professional. | • Overview of certification systems and market requirements for Lao handicraft products in simple Lao language based on internet research and interviews with WFTO members in Lao PDR.  
• Data base of relevant support institutes and individuals.  
• Increased knowledge of certification and markets in Lao institutions.  
• Promotion material for producer groups and potential WFTO members explaining the requirements and process to access the Fair Trade market. |
| 4 & 6. | National NTFP | • Identify an outlet for handicrafts from Sang-thong, Houaphanh, Luang Prabang, etc.  
• Select suitable handicrafts products for this market.  
• Link producers with the buyer and facilitate quality, quantity and price negotiations.  
• Develop an appealing “story” around the products.  
• Monitor quality and quantity of sold products and adapt to market demand. | • One or two producer groups market their handicraft products in Vientiane or Luang Prabang. |
| 4. & 6. | International and National NTFP | • Support buyer in selecting the most suitable certification / branding option.  
• Support producers and buyer(s) in marketing their product through branding or certification (with INGO handicraft group). | • One or two buyers/shops sell branded or certified handicraft products complying to a certain standard.  
• Increase in sales through improved quality and recognition of handicrafts products. |
| 4. – 6. | Regional SHCC network leader | • Support and coach national advisers in identifying suitable handicraft products and markets for these products. | • National advisers able to advise producer groups and private enterprises in accessing the Fair Trade market. |
## Annex 1. List of bamboo products in Lao PDR per province

### Vientiane province

<table>
<thead>
<tr>
<th>Current Product</th>
<th>Market</th>
<th>Possibility for certification (FSC / FT / no)</th>
<th>SNV involved (yes / no)</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice baskets</td>
<td>Vientiane and other provinces</td>
<td>Yes no</td>
<td>In the near future SNV is interested to intervene on certified production and CP</td>
<td></td>
</tr>
<tr>
<td>Mats</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shelves</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tea box</td>
<td>Companies packaging and export to France</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basket</td>
<td>Vientiane</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other products</td>
<td></td>
<td></td>
<td></td>
<td>Thai and domestic markets do not need certification as we export by boat crossing the border (no international checkpoints)</td>
</tr>
</tbody>
</table>

### Sangthong province

<table>
<thead>
<tr>
<th>Current Product</th>
<th>Market</th>
<th>Possibility for certification</th>
<th>SNV involved</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bamboo furniture (sofa)</td>
<td>Vientiane</td>
<td>Very much needed</td>
<td>yes</td>
<td>According to the plan we will export to outside region in the year 2012 and very much needed: (FSC, CP, FT and fumigation) as well as how to obtain fair trade certify</td>
</tr>
<tr>
<td>Bamboo furniture (Lamp)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo furniture (picnic table set)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wall hanging mats</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shopping bags</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>File folders</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo furniture (bench which can be adjusted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo cradle</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo torch</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo baskets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo follower baskets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kan Tak Bath (local name)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bamboo new year baskets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Houaphanh province

<table>
<thead>
<tr>
<th>Current Product</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suitcase</td>
<td>Japanese market might be interested.</td>
</tr>
<tr>
<td>Baskets</td>
<td>High transportation costs from Houaphanh to Vientiane.</td>
</tr>
<tr>
<td>Tea and coffee packaging</td>
<td></td>
</tr>
<tr>
<td>Furniture</td>
<td></td>
</tr>
<tr>
<td>Sticky rice container</td>
<td></td>
</tr>
<tr>
<td>Flower basket</td>
<td></td>
</tr>
</tbody>
</table>
**Luang Prabang province**

<table>
<thead>
<tr>
<th>Current Product</th>
<th>Sold as</th>
<th>Market</th>
<th>Possibility for certification</th>
<th>SNV involved</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bamboo Ethnic baskets</td>
<td>Finished handicraft products</td>
<td>Luang Prabang</td>
<td>Fair Trade</td>
<td>Not yet</td>
<td>Quality of bamboo resource declining. More difficult to get raw material.</td>
</tr>
<tr>
<td>Sticky rice box</td>
<td>Finished handicraft products</td>
<td>LPB</td>
<td>FT</td>
<td>Not yet</td>
<td></td>
</tr>
<tr>
<td>Bamboo packaging (e.g., tea boxes)</td>
<td>Semi-process products</td>
<td>LPB</td>
<td>FT</td>
<td>Not yet</td>
<td></td>
</tr>
<tr>
<td>Bamboo poles</td>
<td>Construction projects</td>
<td>Construction</td>
<td>no</td>
<td>no</td>
<td>Supply declining, replaced by metal scaffolding</td>
</tr>
<tr>
<td>Bamboo shoots</td>
<td>Food</td>
<td>HH and local markets</td>
<td>?</td>
<td>no</td>
<td>Recent overharvesting</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Future products with certification potential</th>
<th>Sold as</th>
<th>Market</th>
<th>Certification</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bamboo furniture</td>
<td>Handmade finished products</td>
<td>LPB and Northern region</td>
<td>Fair Trade</td>
<td>Interest of hotels?</td>
</tr>
<tr>
<td>Bamboo housing such as weaving walls, floors...</td>
<td>Semi-products</td>
<td>LPB and Northern region</td>
<td>FT</td>
<td></td>
</tr>
<tr>
<td>Bamboo baskets for using hotel and restaurant such as laundry baskets, bin...</td>
<td>Handmade products</td>
<td>LPB and Northern region</td>
<td>FT</td>
<td></td>
</tr>
<tr>
<td>Bamboo packaging (Diversify designs)</td>
<td>Semi-products</td>
<td>LPB, domestic, export market</td>
<td>FT</td>
<td></td>
</tr>
</tbody>
</table>
Annex 2. Reports

SNV reports on bamboo:

- Bamboo result chain Lao.ppt

Reports commissioned by WWF-SNV Global Partnership Program:

# Annex 3. Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
<th>Contact details</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
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</tr>
<tr>
<td>Mr. Thepsulinthone (Et)</td>
<td>Camacrafts</td>
<td>P.O. Box 4556, Vientiane Tel: (856 - 21) 561 – 668 <a href="mailto:et@camacrafts.org">et@camacrafts.org</a> <a href="http://www.camacrafts.org">www.camacrafts.org</a></td>
</tr>
<tr>
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<td>Saoban</td>
<td>97/1 Ban Watchan, Vientiane Tel: +856 21 219130 <a href="mailto:contact@saobancrafts.com">contact@saobancrafts.com</a> <a href="http://www.saobancrafts.com">www.saobancrafts.com</a></td>
</tr>
<tr>
<td>Lao Handicraft Association</td>
<td>Kaysone Phomvihane Ave. Vientiane</td>
<td>P.O.Box 8304 Phone: (856 21) 452 95 <a href="mailto:info@laohandicraftassociation.com">info@laohandicraftassociation.com</a> <a href="http://www.laohandicrafts.com/home.cfm">http://www.laohandicrafts.com/home.cfm</a></td>
</tr>
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</tr>
<tr>
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<td>FLO</td>
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</tr>
<tr>
<td>Chris Cox</td>
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<td>Dual FSC / Fairtrade Certified Timber Project Manager Bonner Talweg 177 53129 Bonn Germany Phone: +44 77 10 58 77 04 <a href="mailto:c.cox@fairtrade.net">c.cox@fairtrade.net</a></td>
</tr>
</tbody>
</table>
Annex 4. Terms of Reference

Bamboo Handicraft Products
Fair Trade / Marketing study

Introduction

The largest global bamboo markets are handicraft (USD 3 Billion), bamboo shoots (USD 1.5 Billion) and traditional furniture (USD 1.1 Billion). Traditional markets cover handicrafts, blinds, bamboo shoots, chopsticks and traditional bamboo furniture which count for 95% of the market. Laos earns annually 4 million USD from bamboo products, of which the domestic handicraft (and shoot) market counts for 15%, and export handicraft market for 18% (Oxfam Hong Kong 2006).

Bamboo handicraft stands central in SNV Bamboo programme, as a tool for early awareness raising of the huge potential for bamboo development. Once interest has increased - with all sector actors - while simultaneously trying to scale up and mechanise the sector larger segments of the sector can be developed. Semi-processing of bamboo or larger bamboo industry has not yet take effect in Laos and is seen as supplier to neighbouring countries. Further, local crafts are existing products value chains SNV can assist the involved actors in improving quality, diversity, trading and marketing. Many identified opportunities and constraints of the bamboo sector (and thus other chains) can be tackled while addressing these in the craft chain. Over the years crafts in areas SNV has been supportive product quality has significantly improved as well as the organisation around craft development, with the involvement of 22 producer groups benefiting 6,066 people (1,013 households). Laos has a perceived potential to carve out a niche in the social markets such as Fair-trade markets or organic market. This is based on the traditional handmade, chemical free product being produced by poor communities (including 13 disabled representatives and 20% women).

Some of the key constraints for bamboo crafts entering markets: Traders are the drivers of the craft chain situated in the provinces who sell traditional products (baskets, stick rice boxes) to traditional markets, hardly ever to retailers a/o craft centres aiming for more high value crafts. Vientiane based craft centres (i.e. Lao CoCo, Phai Ekkalak) have their regular suppliers in and around Vientiane or their own workshops. These centres also hire their services out to projects, without guarantees to buy product afterwards. Provincial producer groups and traders lack sufficient capacity to negotiation power to broker deals which has its effect lower in the chain and thus affecting community producer groups. Often market criteria are demanding much with regard to quality, quantity and timeliness of delivery which are hard to meet for producer groups and traders. Both matters are to some extend dealt with by building capacity at district and community level. In case of more
demanding criteria, such as for to export products there is a need to comply with sanitary and phyto-sanitary standards (i.e. need for fumigation).

**Objectives**

The objective of the consultancy is to identify suitable/reachable markets for Lao products and develop practical recommendations for organisations to further support involved producer groups in getting access to proposed markets.

**Key Questions**

- Where are the markets for certified bamboo products?
- What are the bamboo market requirements?
- Which bamboo products in Laos would be able qualify?
- Would Fair Trade provide best opportunities for bamboo crafts? If Y/N to provide suggestions for follow up.

**Suggested activities**

- Create an overview of Fair Trade initiatives and Lao Handicrafts Google Group in Laos with special focus for bamboo craft products ([http://sites.google.com/site/fairtradelaos/members; lao_handicrafts@googlegroups.com](http://sites.google.com/site/fairtradelaos/members); DED, GDC, WWF, Fair Trade Lao, PI/RBI, Manilay Handicraft Center, Phonthong Handicraft Coop, SNV advisors)
- Engage with representatives to gather opinions and collect lessons for further action and perhaps also find a buyer here.
- Web search to identify “real options” for Laos and revealing "go or no go" and options.
- Discuss with SHCC Network Leader to provide additional follow up support in implementing “real market options”.

**Expected outputs**

1. Provide a general overview of certification systems for bamboo products (like FLO, FSC, IFOAM, etc.) and their requirements (standards) for bamboo certification in production and processing/marketing stages.
2. Inventory of current certification initiatives in Laos and possibly neighbouring countries (Thailand, Vietnam).
3. Assessment of the suitability of bamboo products in Laos for certification according to one of the systems under 1) with specification of related markets.
4. Identification of necessary measures for selected bamboo products in Laos to get certified and institutional support needed for this.
5. Advice to SNV-Laos on next steps in this field. (E.g. How to include certification of bamboo in program proposals.)
6. Provide real options which can pay of within 1 year, also providing a TOR for the SHCC NL to provide follow up marketing support.

**Timing**

10 days, between March-mid April
A detailed schedule will be worked out by the consultant and SL FP.
Annex 5. Certification standards

1. Introduction to Certification
2. Worldwide Certification Standards relevant for bamboo
   - Forest Stewardship Council (FSC)
   - Fair Trade Labelling Organisations International (FLO)
   - World Fair Trade Organisation (WFTO)
   - Institute for Marketecology - IMO social responsibility and fair trade
   - The Union for Ethical BioTrade
   - International Federation of Organic Agriculture Movements (IFOAM)
   - ICEA, Ethical and Environmental Certification Institute
   - FairWild Foundation

1. Introduction to Certification

International Organization for Standardization (ISO) defines certification as a procedure by which a third party gives written assurance that a product, process or service conforms to specified requirements (ISO/IEC 1991). In other words, certification can be described as communication between the producer and the consumer where the quality of the product or the process to be sold is stated in a standard and where the producer can tell a consumer of the merits of the product or the process. The certifier acts as an independent and credible intermediary, telling the consumer that the producer is doing or producing what they have promised to do as specified in the standard (Borje 2004).

In the same way, forest certification provides assurance to the buyers from a credible source that the products or processes that are being sold does adhere to set standards, practices and quality measures. Therefore, certification becomes a useful measure to determine whether certain predefined minimum standards of forest management in a given forest, at a given point of time, are being met or not.

Literature review and experience in Nepal shows that NTFPs may be certified based on standards for fair trade, organic production, and good forest management. To ensure the objectivity of certification, a reputable independent third party is required to conduct the evaluation and once certified, a business may promote its products as being certified by the said certifier, which is often done by using the distinctive logo of the standards setting organization. Such certified products then have multiple benefits ranging from being able to access markets that are closed to non-certified products to being able to sell to niche markets where consumers pay premium for certain attributes. The details of the benefits are listed in the sub-section 4 below.

Regardless of the process, certification types and certification components, it is clear that forest management certification and its eventual succession into forest products certification does add value to the local NTFPs through a series of activities and processes which opens new opportunities to the local communities and expands their role in this value chain from mere collectors and producers to higher level functions, bringing with it, increased financial returns. Having said that, the process of certification is often expensive, detailed oriented, tedious, and requires economies of scale to be financially viable. Addressing these issues earlier at the community level, prior to starting any certification process becomes imperative for its long term sustainability.

Forest certification provides a wide range of potential benefits for all stakeholders involved in this sector. Ranging from price premium and entry to closed markets to good governance practices and increased awareness of monetary benefits of conservation, certification can provide a sector-wide ripple-effect of benefits that can be transferred into competitive advantage and systemic...
competitiveness. In general, these benefits can be categorized under three specific themes: economic, environmental and social.

Analysis of the current certifications in Asia and Pacific regions show that the most common approach used by small holders is the group certification system. Group certification is a system whereby several sites can be evaluated and certified under a single certificate. The concept of group certification was developed to provide easy, low-cost and equitable access to certification for owners of small forest holdings. The group certification process does not certify each forest holding individually, but establishes a group of certifiable forest operations. Members of such a group share certification logistics and costs. For forest owners participating in such a group scheme, certification is far less costly and less work intensive than individual certification.

(The above section is copied from: ANSAB, July 2007. Road Map for NTFP certification in Lao PDR.)

2. Worldwide Certification Standards relevant for bamboo

Certification systems relevant for bamboo can be roughly divided in:

- **Sustainable forest management standards:**
  - Forest Stewardship Council (FSC)

- **Fair trade certification:**
  - Fair Trade Labelling Organisations International (FLO)
  - World Fair Trade Organisation (WFTO)
  - Institute for Marketecology - IMO social responsibility and fair trade
  - FairWild Foundation: for NTFPs

- **Organic standards:**
  - The Union for Ethical BioTrade
  - International Federation of Organic Agriculture Movements (IFOAM)
  - ICEA, Ethical and Environmental Certification Institute

There is however some overlap as most systems have social as well as environmental standards. Sometimes they also make use of other systems to certify against specific standards (like ICEA referring to FSC for their forestry standards, while ICEA is IFOAM accredited).

An important factor in analyzing the applicability of a standard is how it is implemented. Most of the above mentioned organisations, but not all, set standards and have independent third parties verifying compliance with these standards. This is done to prevent a conflict of interest. These independent certification bodies have to be accredited and are regularly checked if they apply the standard correctly. Institutes can be accredited for more than one certification standard.

The process to get certified by an independent certification body is cumbersome and costly. Cumbersome as a number of measures have to be taken in the production process to guarantee compliance with the standard and costly as these measures include costs while the certification process itself, including hiring the certification body, has to be paid for by the organisation that wants to get certified.

For a number of certification systems it is possible to developed country specific standards, but this has not happened yet in Laos. The presence of accredited certification bodies at national or regional level can reduce the costs of certification. In the Mekong region accredited organisations like Rainforest Alliance Smartwood and SGS have regional offices, but their prices are still at international level.

The major certification standards that have a worldwide coverage are presented in the following sections and some smaller ones have been added because they were mentioned during the interviews.
FSC Forest Stewardship Council (www.fsc.org)

FSC is one of the major certification systems of sustainable forest management and the faraway the biggest one in the tropics. FSC, established in 1993, promotes the equitable incorporation of social and environmental considerations when decisions are taken to manage forests. Under FSC certification, civil and indigenous rights are respected, areas of high social and environmental conservation value are maintained or enhanced, natural forests are not converted, highly hazardous pesticides and genetically modified trees are prohibited, and harvesting must meet national laws and international treaties. It is in natural forests where FSC standards can result in substantial social and environmental improvements and ultimately support the conservation and long-term maintenance of these forests.

Overview of the FSC Principles and Criteria

**Principle 1.** Compliance with all applicable laws and international treaties

**Principle 2.** Demonstrated and uncontested, clearly defined, long-term land tenure and use rights

**Principle 3.** Recognition and respect of indigenous peoples' rights

**Principle 4.** Maintenance or enhancement of long-term social and economic well-being of forest workers and local communities and respect of worker's rights in compliance with International Labour Organisation (ILO) conventions

**Principle 5.** Equitable use and sharing of benefits derived from the forest

**Principle 6.** Reduction of environmental impact of logging activities and maintenance of the ecological functions and integrity of the forest

**Principle 7.** Appropriate and continuously updated management plan

**Principle 8.** Appropriate monitoring and assessment activities to assess the condition of the forest, management activities and their social and environmental impacts

**Principle 9.** Maintenance of High Conservation Value Forests (HCVFs) defined as environmental and social values that are considered to be of outstanding significance or critical importance

**Principle 10.** In addition to compliance with all of the above, plantations must contribute to reduce the pressures on and promote the restoration and conservation of natural forests.

These 10 principles and 56 criteria form the basis for all FSC forest management standards. Based on these 10 principles, the FSC has developed further rules (called policies or standards) that further define and explain certain requirements stipulated in the 10 principles.

FSC certifies forest management and the chain of custody. FSC chain of custody (CoC) tracks FSC certified material through the production process - from the forest to the consumer, including all successive stages of processing, transformation, manufacturing and distribution.

Only FSC CoC certified operations are allowed to label products with the FSC trademarks. The FSC label thus provides the link between responsible production and consumption and thereby enables the consumer to make socially and environmentally responsible purchasing decisions.

FSC does not issue certificates itself. The certification process is carried out by independent organizations called certification bodies. Before being able to certify according to FSC standards, certification bodies have to gain FSC accreditation. To do this, certifiers have to comply with an extensive set of rules.

FSC group certification - a program for small forest owners

FSC group certification allows a group of forest owners to join together and share certification costs among the group members. This dramatically reduces the cost for each forest owner. The number of group members is not limited but the group has to be managed effectively and function according to FSC rules.

A program for Small and Low Intensity Managed Forests - FSC SLIMF

FSC offers streamlined procedures for forest management operations no larger than 100 to 1000 hectares (depending on the country) or of low management intensity. This keeps the cost of certification down and makes FSC certification a valid proposition for all forest operations of all sizes.
FSC is currently reviewing the Principles and Criteria in a participative process with its members and by the end of 2010 a new set will be used.

The FSC advice note on bamboo is rather ambiguous:

FSC Advice Note
Title FSC-ADV-30-502 EN FSC certification of bamboo
Date 13 May 2004
Status Approved by Head of PSU
Advice sought on Can certification bodies certify/label bamboo?

FSC Advice
1. Where bamboo occurs within the matrix of an FSC-certified natural forest or plantation it may be certified/labeled as a non-timber forest product (NTFP) following FSC’s general guidance for NTFPs.

2. If bamboo is itself grown as a plantation crop, or is itself the principal component of a ‘natural forest’ it may or may not be possible to certify under the FSC system, depending on the specific situation. The key question is whether the area of bamboo is within FSC’s definition of a ‘natural forest’ or ‘plantation’, and then whether the management of the area meets the requirements of the FSC Principles and Criteria for Forest Stewardship. Potential applicants for certification are advised to request a scoping visit from an FSC accredited certification body to seek advice on this before proceeding to a full evaluation.

Basis for advice
3. Within the FSC system a forest or a tree plantation may be considered for certification if it meets either the definition of ‘natural forest’ or a ‘plantation’ (see glossary to FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship). If an area of bamboo can be considered natural forest or part thereof, or a plantation, can be managed in compliance with the FSC P&C, and maintain the ecological functions and values required by the FSC P&C, then it may be evaluated and certified within the FSC system. Satisfaction of these requirements depends on the particular production system in question rather than on the product type, or the tree/bamboo species as such.

4. There are many species of bamboo, the larger of which may be considered treelike. Larger areas of such bamboo are often referred to as ‘bamboo forests’. Such areas may be considered as ‘natural forests’ within FSC’s definition, and may be evaluated for certification based on the FSC Principles and Criteria for Forest Stewardship.

5. Bamboo of any size may also occur naturally as patches within a natural forest or plantation matrix. In this case the bamboo may be considered as a non-timber forest product, and be certified as such within the FSC system.

6. In the case of plantation grown bamboo a decision would need to be made by the certification body as to whether it comes within the FSC definition of ‘plantation’, and whether the management system can meet the FSC Principles and Criteria. This decision may be based on such factors as the size of the bamboo stems, the length of the rotation, the presence or absence of other trees within the matrix, and the extent to which ecological functions are maintained.

References
FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship
FSC Guidelines for Certification Bodies – Subject 2.1 “Scope of forest certification”
Fair Trade Labelling Organisations International (FLO)

The following text is retrieved from: (www.fairtrade.net/home.html)

Aims of Fairtrade standards

Fairtrade standards are designed to support the sustainable development of small-scale producers and agricultural workers in the poorest countries in the world.

Key objectives

The key objectives of the standards are to:

• ensure that producers receive prices that cover their average costs of sustainable production;
• provide an additional Fairtrade Premium which can be invested in projects that enhance social, economic and environmental development;
• enable pre-financing for producers who require it;
• facilitate long-term trading partnerships and enable greater producer control over the trading process;
• set clear minimum and progressive criteria to ensure that the conditions of production and trade of all Fairtrade certified products are socially, economically fair and environmentally responsible.

Code of Good Practice for setting standards

Fairtrade standards are set in accordance with the requirements of the ISEAL Code of Good Practice for Setting Social and Environmental Standards.

This means that the standards are set on the basis of consultations with the major stakeholders in the Fairtrade system. While FLO sets the standards and supports producers to meet them, a separate certification company, FLO-CERT, regularly inspects and certifies producers and traders against the standards.

Minimum requirements and progress requirements

Fairtrade standards distinguish between minimum requirements, which producers must meet to be certified, and progress requirements that encourage producers to continuously improve and to invest in the development of their organizations and their workers. This concept is developed for the target group of Fairtrade; disadvantaged producers. It encourages sustainable, social, economic and environmental development of producers and their organizations.

Common principles

The following common principles are considered in all Fairtrade standards applicable to small-scale producers and workers and their organizations:

1) Social development:

For small-scale producers Fairtrade standards require an organizational structure that allows the producers to actually bring a product to the market. All members of the organization need to have access to democratic decision-making processes and as far as possible participate in the activities of the organization. The organization needs to be set up in a transparent way for its members and must not discriminate any particular member or social group. In hired labour situations the Fairtrade Standards require the company to bring social rights and security to its workers. Some of the core elements are: training opportunities, non discriminatory employment practices, no child labour, no forced labour, access to collective bargaining processes and freedom of association of the workforce, condition of employment exceeding legal minimum requirements, adequate occupational safety and health conditions and sufficient facilities for the workforce to manage the Fairtrade Premium.
2) Economic development:
For all products Fairtrade Standards require the buyers to pay a Fairtrade Minimum Price and/or a Fairtrade Premium to the producers. The Fairtrade Minimum Price aims to help producers cover the costs of sustainable production. The Fairtrade Premium is money for the producers or for the workers on a plantation to invest in improving the quality of their lives. Premium money in this sense is meant to improve the situation of workers, farmers and local communities in health, education, environment, economy etc. The farmers or workers decide the most important priorities for themselves and manage the use of the Fairtrade Premium.
Also, Fairtrade Standards require buyers to give a financial advance on contracts, called pre-financing, if producers ask for it. This is to help producers to have access to capital and so overcome what can be one of the biggest obstacles to their development. This promotes entrepreneurship and can assist the economic development of entire rural communities.

3) Environmental development:
Fairtrade Standards include requirements for environmentally sound agricultural practices. The focus areas are: minimized and safe use of agrochemicals, proper and safe management of waste, maintenance of soil fertility and water resources and no use of genetically modified organisms. Fairtrade Standards do not require organic certification as part of its standards. However, organic production is promoted and is rewarded by higher Fairtrade Minimum Prices for organically grown products.

Principles for small-scale producers and hired labour
Besides the common principles described above, there are specific principles that apply to small producer organizations and hired labour situations.

1) Principles specific to small producer organizations
- Members must be Small Producers. The majority of the members of the organization must be smallholders (small-scale farmers) who don’t depend on hired workers all the time, but run their farm mainly by using their own and their family’s labour.
- Democracy. Profits should be equally distributed among the producers. All members have a voice and vote in the decision-making process of the organization.

2) Principles specific to hired labour
- Management of the Fairtrade Premium. The so-called Joint Body, which includes workers and management, is responsible for the management of the Fairtrade Premium in accordance with Fairtrade Standards.
- Forced labour & child labour. Forced labour and child labour is prohibited.
- Freedom of association & collective bargaining. Workers have the right to join an independent union to collectively negotiate their working conditions.
- Working conditions. Working conditions are equitable for all workers. Salaries must be equal or higher than the regional average or than the minimum wage. Health and safety measures must be established in order to avoid work-related injuries.

If you want to find out more about Fairtrade Standards for Small Producer Organisations and/or for Hired Labour situations, you can read our Explanatory Documents.
Product standards

Fairtrade product standards apply to particular products, such as cotton or bananas. There are two main sets of product standards; one for small-scale producers, and another for hired labour situations. In addition to product standards, Fairtrade producers and traders must also comply with the generic standards. Minimum prices and premium for all Fairtrade certified products are published separate to the product standards in the table of minimum prices and premiums.

Product standards for small-scale producers
These product standards apply to small-scale producers. Part of the standard also applies to the companies which trade with them. See the product standards for small-scale producers

Product standards for hired labour
These product standards apply to companies employing hired labour. Part of the standard also applies to the companies which trade with them. See the product standards for hired labour

Generic standards

These standards apply to all Fairtrade producers and traders. There are additional standards that apply to particular products.

Generic trade standards
These standards govern the terms of trade for all Fairtrade products. They must be met by all Fairtrade producers and traders.

Generic producer standards
These standards govern the conditions of production for Fairtrade products. They must be met by all Fairtrade producers

Minimum prices and premiums
This table lists the Minimum Prices and Premium for all Fairtrade certified products. Download the table of Minimum Prices and Premium:
- Fairtrade Minimum Price and Premium Table
- Tabla de Precio Mínimo y Prima de Comercio Justo FAIRTRADE
- Tableau du Prix Minimum et de la Prime du Commerce Équitable
You can also browse our new Database for Minimum Prices and Premiums.

Prohibited materials
Fairtrade Certified producers cannot use certain materials. Download the list of prohibited materials:
- FLO prohibited materials list
- Lista de materiales prohibidos de FLO
- La Liste FLO des substances interdites

Geographical scope of Fairtrade
Fairtrade standards are limited to certain countries. Only producers in these countries can apply for Fairtrade Certification. Download the list of countries covered by Fairtrade
Our partners

FLO is part of a worldwide network of Fair Trade organizations. We work together to promote fairer trade.
Together we have articulated the vision and principles that guide our work. The Charter of Fair Trade Principles includes our common vision, definition of Fair Trade, core principles and our distinct approaches to Fair Trade. You can download the Charter of Fair Trade Principles here.

Fair Trade working together
Together we run a Fair Trade Advocacy Office in Brussels. Its role is to coordinate advocacy and campaigns on behalf of the four Fair Trade partners at European and international levels.

1. FLO (Fairtrade Labelling Organizations International)
2. WFTO (World Fair Trade Organization)
3. NEWS (Network of European World Shops)
4. EFTA (European Fair Trade Association)

Find out more about the Fair Trade Advocacy Office

World Fair Trade Organization
The World Fair Trade Organization (WFTO) was created in 1989. It was originally known as the International Fair Trade Association. It is a network of alternative trade and producer organizations in Africa, Asia, Europe, Latin America, North America and the Pacific Rim. WFTO's mission is to improve the livelihoods and well-being of disadvantaged handicrafts and agricultural producers. WFTO links and promotes Fair Trade in both developed and developing countries.

Network of European World Shops
World shops sell Fair Trade products and organize various educational exhibits, programmes and campaigns to promote fairer trade practices.
The Network of European World Shops (NEWS!) was established in 1994. It is a network of national associations of world shops representing 2,500 shops in 13 member countries: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Spain, Sweden, Switzerland, United Kingdom.
NEWS! initiates and coordinates European-wide joint campaigns and awareness raising activities. The aim of NEWS! is to promote Fair Trade and the development of the world shops movement in particular.

European Fair Trade Association
Fair Trade importing organizations buy food and handicrafts from disadvantaged producers in developing countries. They aim to improve market access and strengthen the producer organizations.
The European Fair Trade Association (EFTA) was established in 1990. It is an association of 11 Fair Trade importers in nine European countries: Austria, Belgium, France, Germany, Netherlands, Spain, Switzerland and the United Kingdom. EFTA's aim is to support its member organizations in their work and encourage cooperation and coordination.
In Europe, EFTA members sell their products through world shops, local groups, wholesalers and mail order catalogues. Fair Trade importing organizations also play an important role in awareness raising and in educating consumers and public authorities on Fair Trade and trade justice issues.
World Fair Trade Organisation (WFTO)

The following text is retrieved from: [http://www.wfto.com/](http://www.wfto.com/)

The World Fair Trade Organization Asia working to uplift the condition of thousands of grassroots producers and workers in the poorest Asian countries.

As the regional chapter of World Fair Trade Organization (WFTO) former International Fair Trade Association (IFAT), WFTO ASIA provides impoverished food and crafts producers, from all over Asia, greater access to regional and inter-regional export markets. Maximizing the advantage of the established cooperation, WFTO ASIA serves as a platform wherein member-organizations share, among each other, culturally sensitive and regionally distinct strategies in the areas of skills and organizational development, technology transfer and access to information. WFTO ASIA fulfills its role as the voice of Fair Trade in Asia by promoting the standards and principles of Fair Trade among various actors at different levels of the value chain. It works to involve producers, workers, service providers, intermediaries, public sector institutions and consumers to the process of bringing about social and environmental justice to the global trading system.

10 Standards of Fair Trade

WFTO prescribes 10 Standards that Fair Trade Organizations must follow in their day-to-day work and carries out monitoring to ensure these principles are upheld:

**Standard One: Creating Opportunities for Economically Disadvantaged Producers**
Poverty reduction through trade forms a key part of the organization’s aims. The organization supports marginalized small producers, whether these are independent family businesses, or grouped in associations or co-operatives. It seeks to enable them to move from income insecurity and poverty to economic self-sufficiency and ownership. The trade supports community development. The organization has a plan of action to carry this out.

**Standard Two: Transparency and Accountability**
The organization is transparent in its management and commercial relations. It is accountable to all its stakeholders and respects the sensitivity and confidentiality of commercial information supplied. The organization finds appropriate, participatory ways to involve employees, members and producers in its decision-making processes. It ensures that relevant information is provided to all its trading partners. The communication channels are good and open at all levels of the supply chain.

**Standard Three: Trading Practices**
The organization trades with concern for the social, economic and environmental well-being of marginalized small producers and does not maximize profit at their expense. It is responsible and professional in meeting its commitments in a timely manner. Suppliers respect contracts and deliver products on time and to the desired quality and specifications.

Fair Trade buyers, recognising the financial disadvantages producers and suppliers face, ensure orders are paid on receipt of documents and according to the attached guidelines. An interest free pre payment of at least 50% is made if requested.

Where southern Fair Trade suppliers receive a pre payment from buyers, they ensure that this payment is passed on to the producers or farmers who make or grow their Fair Trade products.

Buyers consult with suppliers before canceling or rejecting orders. Where orders are cancelled through no fault of producers or suppliers, adequate compensation is guaranteed for work already done. Suppliers and producers consult with buyers if there is a problem with delivery, and ensure compensation is provided when delivered quantities and qualities do not match those invoiced.

The organization maintains long term relationships based on solidarity, trust and mutual respect that contribute to the promotion and growth of Fair Trade. It maintains effective communication with its trading partners. Parties involved in a trading relationship seek to increase the volume of the trade between them.
and the value and diversity of their product offer as a means of growing Fair Trade for the producers in order to increase their incomes. The organization works cooperatively with the other Fair Trade Organizations in country and avoids unfair competition. It avoids duplicating the designs of patterns of other organizations without permission.

Standard Four: Payment of a Fair Price
A fair price is one that has been mutually agreed by all through dialogue and participation, which provides fair pay to the producers and can also be sustained by the market. Where Fair Trade pricing structures exist, these are used as a minimum. Fair pay means provision of socially acceptable remuneration (in the local context) considered by producers themselves to be fair and which takes into account the principle of equal pay for equal work by women and men. Fair Trade marketing and importing organizations support capacity building as required to producers, to enable them to set a fair price.

Standard Five: Child Labour and Forced Labour
The organization adheres to the UN Convention on the Rights of the Child, and national / local law on the employment of children. The organization ensures that there is no forced labour in its workforce and / or members or homeworkers.

Organizations who buy Fair Trade products from producer groups either directly or through intermediaries ensure that no forced labour is used in production and the producer complies with the UN Convention on the Rights of the Child, and national / local law on the employment of children. Any involvement of children in the production of Fair Trade products (including learning a traditional art or craft) is always disclosed and monitored and does not adversely affect the children's well-being, security, educational requirements and need for play.

Standard Six: Non Discrimination, Gender Equity and Freedom of Association
The organization does not discriminate in hiring, remuneration, access to training, promotion, termination or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, HIV/Aids status or age.

The organization provides opportunities for women and men to develop their skills and actively promotes applications from women for job vacancies and for leadership positions in the organization. The organization takes into account the special health and safety needs of pregnant women and breast-feeding mothers. Women fully participate in decisions concerning the use of benefits accruing from the production process. The organization respects the right of all employees to form and join trade unions of their choice and to bargain collectively. Where the right to join trade unions and bargain collectively is restricted by law and/or political environment, the organization will enable means of independent and free association and bargaining for employees. The organization ensures that representatives of employees are not subject to discrimination in the workplace.

Organizations working directly with producers ensure that women are always paid for their contribution to the production process, and when women do the same work as men they are paid at the same rates as men. Organizations also seek to ensure that in production situations where women’s work is valued less highly than men’s work, women’s work is re-valued to equalize pay rates and women are allowed to undertake work according to their capacities.

Standard Seven: Working Conditions
The organization provides a safe and healthy working environment for employees and / or members. It complies, at a minimum, with national and local laws and ILO conventions on health and safety. Working hours and conditions for employees and / or members (and any homeworkers) comply with conditions established by national and local laws and ILO conventions.

Fair Trade Organizations are aware of the health and safety conditions in the producer groups they buy from. They seek, on an ongoing basis, to raise awareness of health and safety issues and improve health and safety practices in producer groups.

Standard Eight: Capacity Building
The organization seeks to increase positive developmental impacts for small, marginalised producers through Fair Trade. The organization develops the skills and capabilities of its own employees or members. Organizations working directly with small producers develop specific activities to help these producers improve their management skills, production capabilities and access to markets – local / regional / international / Fair Trade and mainstream as appropriate. Organizations which buy Fair Trade products through Fair Trade
intermediaries in the South assist these organizations to develop their capacity to support the marginalized producer groups that they work with.

**Standard Nine: Promotion of Fair Trade**
The organization raises awareness of the aim of Fair Trade and of the need for greater justice in world trade through Fair Trade. It advocates for the objectives and activities of Fair Trade according to the scope of the organization. The organization provides its customers with information about itself, the products it markets, and the producer organizations or members that make or harvest the products. Honest advertising and marketing techniques are always used.

**Standard Ten: Environment**
Organizations which produce Fair Trade products maximize the use of raw materials from sustainably managed sources in their ranges, buying locally when possible. They use production technologies that seek to reduce energy consumption and where possible use renewable energy technologies that minimize greenhouse gas emissions. They seek to minimize the impact of their waste stream on the environment. Fair Trade agricultural commodity producers minimize their environmental impacts, by using organic or low pesticide use production methods wherever possible. Buyers and importers of Fair Trade products give priority to buying products made from raw materials that originate from sustainably managed sources, and have the least overall impact on the environment. All organizations use recycled or easily biodegradable materials for packing to the extent possible, and goods are dispatched by sea wherever possible.

**Why Join?**
Are you committed to 100% Fair Trade? Do you believe we need to change the way the world does business? Join us and become part of the authentic voice of Fair Trade. Membership is open to any organisation that has Fair Trade at the heart of all its activities. The WFTO also welcomes individuals with a commitment to Fair Trade.

As a WFTO member you will be part of:

- **Global and Regional networks**
The world’s only network of artisans, farmers, producers, brands and businesses. Our membership represents the Fair Trade chain from production to sale, spread across five regions.

- **FT100**
The index of monitored Fair Trade Organizations with a 100% commitment to Fair Trade.

- **WFTO logo**
Exclusive use for monitored members to our organizational Mark to differentiate their brands from the crowd. This also enables organisations to sell their goods on the World of Good online retail site.

- **A Voice in Fair Trade**
Advocacy and campaigning, World Fair Trade Day and policy impact through our cooperation with other major Fair Trade bodies.

- **Favourable credit & payment facilities**
Access to the Shared Interest Clearing House program and other support and business services.

- **Continuous Learning**
WFTO global and regional conferences focus on networking, capacity building and discussion and decision-making on our global strategy.

**Who can apply?**
We welcome applications from established Fair Trade Organizations as well as organizations that support Fair Trade. We also welcome individuals in their capacity as researchers, writers, consultants and specialists in their field who can contribute solid skills, knowledge and expertise to the other members of the network.

Membership is open to:

- **Fair Trade Organizations**
Organizations directly engaged in Fair Trade through their trading activity. To qualify for trading membership,
applicants must already be trading and have evidence of sales (domestic, export or both). To qualify for trading membership, income from sales must account for 50% or more of total income. Applications for trading membership cannot be accepted from organizations with no prior sales history.

**Fair Trade Networks**
Legal entities whose primary function is to serve as national or international associations of Fair Trade producers and/or Fair Trade Organisations.

**Fair Trade Support Organizations**
Fair Trade Organizations that do not trade but are engaged in Fair Trade indirectly through activities that promote and support Fair Trade. These activities can include business counselling, finance, advocacy or networking.

**Associate Organizations**
This is a special category for national or international organizations that are interested in supporting and promoting Fair Trade. Donor organizations also fit in this group.

**Individual Associates**
Individual researchers, writers, consultants and specialists in their field can support WFTO by applying for Associate membership. WFTO expects its individual associate members to be active Fair Trade supporters whose experience and expertise in their own particular field can be of practical benefit to WFTO's members.

**Membership procedures**
Becoming a full WFTO Member happens in two steps – each step has unique procedures and carries different rights and responsibilities:

- Provisional membership
- Registered membership.

This two-step process is valid for all type of members, except associated members.

**Provisional Membership**
Submit the application: Complete the application form. Please ensure you include the complete contact details for THREE referees (name of contact, company, address, country, e-mail, telephone). They should be easy to contact by e-mail in order to speed up the process. One of your referees MUST be a WFTO member in your country. You can check our member list at [link].

As soon as the application file is complete with the references and comments, the WFTO Board considers the application for approval. Only applications by Individual Associates are considered by the WFTO Executive Director, and not the Board.

**Registered Membership**
In order to become a registered member your organization must carry out a self-assessment against the 10 standards for Fair Trade Organizations within 2 years. Every member is obliged to submit a Self-Assessment Report every two years. This document is auditable and it should prove that your organization complies with the standards.

When we have received your SAR:
1. We check basic quality: does the SAR follow the guidelines and are all the sections meaningfully completed.
2. It will be reviewed by the registration Sub-Committee.
3. A recommendation, either positive or negative is made by the registration Sub-Committee.
4. If the recommendation is positive, the decision will be ratified by the WFTO secretariat and the organization will be informed. The WFTO Secretariat will also send you a contract for the use of the WFTO Mark. When this contract is signed and returned you will receive a certificate and the manual for the use of the WFTO Mark. At that moment you are a registered member.
5. If the recommendation is negative, a letter will be sent. It will explain the ground for this decision. If the problem is related with quality of the information provided, your organization has the chance to send an improved SAR.
Around 10% of the SARs that are submitted each year are externally audited. The selection is done randomly and the organization has the obligation to accept it. All the associated costs are covered, except the local transport and accommodation of the auditor. External audits can also take place in response to complaints.

If you become a WFTO member, you will be obliged to:
1. Send the Secretariat a copy of your official annual accounts within ten (10) months of the close of your fiscal/financial year. If your accounts are audited, you must submit the auditors’ report.
2. Submit a Self-Assessment Report every two (2) years.
3. Pay an annual fee, as determined by the Annual General Meeting. The payment is due within thirty (30) days of receipt of the invoice.
4. Inform immediately in writing of any change in contact details of the member, provisional member or associate.

Rights
Registered Members have the right to:
1. Use the WFTO Fair Trade Organization Mark once they have signed a contract on how the Mark may be used
2. Use the WFTO logo and publicize their membership of WFTO
3. Actively participate in all activities of WFTO
4. Receive all mailings from the Secretariat
5. Stand for nomination for the Board of Directors or by invitation be co-opted to serve on the Board
6. Serve on (sub)-committees
7. Attend scheduled international conferences and regional meetings
8. Attend the Annual General Meeting, and the business sessions preceding it, with authority to speak and to put forward resolutions
9. Vote in person or by proxy at the Annual General Meeting.
10. Their contact data and organizational profile will appear on the public website. Provisional members’ profiles only appear in the Members Only website.
11. Their organization will appear in the WFTO Register.
Institute for Marketecology - IMO social responsibility and fair trade

The following section is retrieved form the website:
http://www.fairforlife.net/logicio/pmws/indexDOM.php?client_id=fairforlife&page_id=home

A unique Certification System
"Fair for life" is a brand neutral third party certification programme for social accountability and fair trade in agricultural, manufacturing and trading operations. The programme complements existing fair trade certification systems.
Social accountability and fair trade have become important indicators to select business partners in a global market place. Existing systems unfortunately exclude many agricultural, manufacturing and trading operations worldwide that practice social responsibility and fair trade from independent verification and certification of their performance.

The IMO Social & FairTrade Certification Programme offers operators of socially responsible projects a solution for objective inspection and certification by a highly qualified external verifier. It combines strict social and fair trade standards with adaptability to local conditions. Socially responsible and fair trade operators also need to take care to protect the environment at and around their production or processing sites. For this reason, the ‘Fair for Life’ programme includes detailed environmental criteria.
The system is designed for both food and non food commodities (cosmetics, textiles etc.).

Our quality guarantee
IMO Social & FairTrade Certification guarantees that human rights are guaranteed at any stage of production, that workers enjoy good and fair working conditions and that smallholder farmers receive a fair share. Fair trade improves the livelihood of thousands of smallholder farmers and workers by providing the means for social community projects and empowerment of people.

About the IMO Social & FairTrade Certification Programme
The aim of the IMO Social & FairTrade Programme is to ensure fair and positive relations between producers and their cooperatives or contracting companies, between workers and their employer, between seller and buyers on the world market while at the same time ensuring performance of standards.

Social Responsibility Certification confirms that workers enjoy good working conditions and that producer groups have well working, accountable internal structures. IMO's programme builds on widely acknowledged baseline standards such as the conventions of ILO, SA 8000 and the social criteria of IFOAM.

Social & FairTrade Certification includes all social standards, but focuses additionally on trade relations. "FairTrade" means long-term and trustful cooperation between partners, transparent price setting, open negotiations and prices that allow for social development of the concerned communities. Although the IMO Social & FairTrade Programme does not restrict fairtrade to developing countries and marginalized producers, fairtrade clearly aims at improvement of the social conditions of those groups who are most deprived in the respective local setting.

Individual Performance Rating: In addition IMO offers audits to attest compliance with private standards and criteria (e.g. Corporate Social Responsibility).

FairWild Certification covers the social and fairtrade aspects of wild harvested goods.
Become certified

IMO Social & FairTrade Certification is suitable for all types of products and throughout the chain of custody world-wide. The following organisations/operators can become certified:

- Plantations/ estates/ farms
- Smallholder producer groups
- Farmers associations/ cooperatives
- Manufacturers or NGOs contracting farmers for production (“contract production”)
- Groups of handicraft producers, etc.
- Manufacturers/ processors (food or cosmetics)
- Manufacturers/ processors (industrial products, e.g. textile, toys)
- Traders and marketing companies (food or non-food products)
- Service provider companies (social responsibility only)

The Institute for Marketecology (IMO) is one of the first and most renowned international agencies for inspection, certification and quality assurance of eco-friendly products. Our world-wide activities are accredited by the Swiss Accreditation Service (SAS) according to EN 45011 (ISO 65), which is the international standard for certification. IMO offers certification for organic production and handling according the EU Regulation (EC) N° 834/2007 and (EC) N° 889/2008. Also we have been accredited by USDA for organic certification according to the American National Organic Program (NOP). Recently we have received the reaccreditation by MAFF and offer certification according to the Japanese Agricultural Standard (JAS) for the Japanese market.

For more than 20 years, IMO has been active in the field of organic certification but it is also expert in the sectors of natural textiles, sustainable forestry, and social accountability monitoring.

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The Union for Ethical BioTrade

The following section is retrieved from the website:
http://www.ethicalbiotrade.org/index.html

Welcome

Demand is soaring for ‘green’ products. Consumers not only expect high quality, they also want to know the ethical nature of the products they buy. Are they sustainable? Are the source communities receiving a fair share of the benefits? In a complex international market, finding the answers to these questions can be a challenge. The Union for Ethical BioTrade aims to help reassure companies and their customers about the true history of the products they sell.

**Ethical BioTrade** is a set of business practices that follow the Ethical BioTrade Principles and Criteria that contribute to ethical sourcing of biodiversity.

**The Union for Ethical BioTrade** is a nonprofit association that promotes the ‘Sourcing with Respect’ of ingredients that come from native biodiversity. Members commit to gradually ensuring that their sourcing practices promote the conservation of biodiversity, respect traditional knowledge and assure the equitable sharing of benefits all along the supply chain.

**Biodiversity**: is the variety of life on Earth and the natural patterns it forms.

**About the Union**

Launched in October 2007, the Union for Ethical BioTrade is a non-profit association that promotes the ‘Sourcing with Respect’ of ingredients that come from native biodiversity. Members commit to gradually ensuring that their sourcing practices promote the conservation of biodiversity, respect traditional knowledge and assure the equitable sharing of benefits all along the supply chain.

**Why join the Union?**

By requiring its members to commit to gradually bringing their practices in line with Ethical BioTrade Principles, the Union for Ethical BioTrade aims to help companies negotiate the regulatory minefield of trading with local producers all over the world, while ensuring that benefits reach all of those involved.

Consumers have strong expectations that companies will engage in trading practices that both protect biodiversity and respect human rights. In truth, businesses that produce goods sourced from biodiversity in developing countries can act as catalysts for ethical biotrade, promoting conservation and creating sustainable development in local communities. By following the Union for Ethical BioTrade’s principles and criteria for ‘Sourcing with Respect’, these companies can reassure their customers and set themselves apart in the world market. <More>

**Our vision**

Increased trade in biological resources actively contributes to the conservation and sustainable use of biodiversity, as well as to other sustainable development goals.

**Our mission**

To bring together actors committed to Ethical BioTrade and to promote, facilitate and recognise ethical trade practices in goods that meet the sustainable development goals in the Convention of Biological Diversity.
Financing the Union
The functioning of the Union is ruled by the Board, which is elected by trading and affiliate members periodically. Day-to-day management is handled by the Secretariat, based in Geneva. The Union is financed by membership fees and contributions from donors.

Types of membership

Affiliate Members
This type of membership status is available to organisations or individuals that are supportive of the principles of Ethical BioTrade but are not themselves directly involved in trading. Affiliate Members need to formally commit to the Principles and Criteria of Ethical BioTrade and indicate how they will implement this commitment before being accepted as a member of UEBT. They will also be required to submit periodic updates on their activities in support of Ethical BioTrade.

Trading Members
This type of membership includes all actors that are directly involved in the supply chain of BioTrade goods and services (e.g. producer/collector organisations, processing companies, traders, manufacturing companies brands). Membership will be granted as soon as UEBT has approved the member's work-plan outlining the measures and timeframe by which the member organisation will complete its critical path to achieve compliance with the UEBT's Verification Framework.

Membership conditions

The following conditions apply to trading members of the Union:
1. Adhere to the articles of association of the Union for Ethical BioTrade;
2. Meet the minimum criteria laid out in the verification framework;
3. Pay an annual membership fee based on turn-over;
4. Commit to the verification system of the Union, including:
   1. Undergoing independent 3rd party verification against the Union's verification framework, within 6 month after being awarded provisional membership status.
   2. Develop a work-plan to reach compliance with the Union's verification framework within 5 years. This work-plan needs to be submitted to the Union for approval.
   3. Commit to implementation of the work-plan, report on the progress made in its implementation, and undergo independent 3rd party verification towards completion of the work-plan within maximum 4 years after its initiation.
   4. Commit to continuous improvement once compliance is achieved.

The following conditions apply to affiliate members of the Union:
1. Adhere to the articles of association of the Union for Ethical BioTrade;
2. Commit to the minimum criteria laid out in the verification framework;
3. Pay an annual membership fee based on its annual budget;
4. Formally commit to the Ethical BioTrade Principles and Criteria and indicate how they will implement this commitment;
5. Report periodically on the activities undertaken to promote the Union and the funds invested.

Membership & The Union
Private and public companies, trade associations, NGOs, community producers or collectors, national biotrade programmes, and any other organisation active in the biotrade arena can apply for UEBT membership. All members need to comply with the minimum requirements. There are 2 types of membership in UEBT, Trading Member and Affiliate Member. You will find more information in the 2 boxes below. Members must also make a strong commitment to achieving compliance with the Verification Framework.
The UEBT system aims to help organizations put the Ethical BioTrade commitments into practice, by suggesting the development of a management system for continuous improvement. When applying, a prospective Trading Member commits to putting the aforementioned commitments into practice and to reaching compliance with the requirements. To do so, the prospective Trading Member will follow five main steps (Critical path) and the following application process.

**Minimum requirements**
The minimum requirements refer to the Minimum Indicators of UEBT's Verification Framework and are the following:

1. Maintaining characteristics of ecosystems and natural habitats:
   1. The applicant is not engaged, directly or indirectly, in any processes to convert either natural habitats to agricultural systems or natural forest to other productive systems.
   2. The applicant does not introduce alien species into natural habitats being managed.

2. Agricultural practices:
1. The applicant does not, directly or indirectly, use pesticides banned under the Stockholm Convention on Persistent Organic Pollutants (POPs), that fall under WHO Categories I and II and/or are listed in the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

3. Transparency in benefit sharing:
   The applicant is not, directly or indirectly, involved in any disputes related to the use of biodiversity and traditional knowledge of substantial magnitude involving a significant number of interests.

4. Ethical business relations:
   The applicant is not, directly or indirectly, involved in any immoral transactions in business relations according to international covenants, national law and practices (OECD Guidelines for Multinational Enterprises and UN Convention on Contracts for the Sale of Goods).

5. Economic sustainability:
   The applicant is currently profitable or has a viable plan to become so.

6. Respect for human rights:
   The applicant takes measures to ensure the respect for human rights and there is no evidence of non-respect nor of restrictive/discriminatory policies or practices.

7. Adequate working conditions:
   The applicant provides adequate housing where required by workers and potable water to all workers.

8. Land tenure in line with relevant regulations:
   The applicant is not, directly or indirectly, engaged in any disputes on land tenure and access of substantial magnitude involving a significant number of interests.

**Verification framework**
The Union's Verification Framework stems from the seven Principles and Criteria as developed by the UNCTAD BioTrade initiative. The framework is an international standard designed in accordance with the requirements for developing Standards as stipulated by the World Trade Organisation (WTO) and the International Social and Environmental Accreditation and Labelling Alliance (ISEAL). These requirements include the need to carry out consultations open to all stakeholders and decision-making mechanisms that respect the balance between different interest groups. They also require the need to periodically review the standards (at least every five years).

The Verification Framework is the tool used to analyse a Trading Member's conduct in comparison to the Principles and Criteria of Ethical BioTrade in order to determine those parts in a Trading Member's operations that need to be addressed. As such, it is also the main tool to develop individual work-plans that guide members towards compliance with the Ethical BioTrade Principles and Criteria and continuous improvement.

**Verification system**
Trading Members need to adhere to the Ethical BioTrade Verification Framework. This framework guides members towards compliance with the Principles and Criteria of Ethical BioTrade.

UEBT's Verification System monitors members' respect of their membership obligations such as conformity with the Minimum Indicators, and the adherence to work-plans aiming to achieve compliance with the Principles and Criteria of Ethical BioTrade.

UEBT applies the term critical path for the route that members travel to reach compliance with the Principles and Criteria of Ethical BioTrade.

Once members comply with the UEBT's Verification Framework, UEBT membership will be conditional upon continuous compliance with the Verification Framework. A third-party audit should verify this ongoing compliance every 3 years, while the organisation will self-report annually in the intermediary years.

Members will also be expected to show continuous improvement, which they will be able to measure using a set of impact indicators developed by UEBT.
Download the verification frameworks

- BioTrade Verification Framework for Native Natural Ingredients, Union for Ethical BioTrade (UEBT), IS 2007-09-20

Guidance
Download the guiding document that accompanied the verification framework in order to help its interpretation at different stages of a value chain:

- Guidance for the application of the BioTrade Verification Framework for Native Natural Ingredients

Standardisation procedure

The Union for Ethical BioTrade is a Full Member of the ISEAL Alliance, the global association for social and environmental standards systems. Our standard-setting processes comply with ISEAL’s Code of Good Practice for Setting Social and Environmental Standards. Click here to download the Union’s internal procedure for standard setting.

Standardisation process
Twice a year, the Union for Ethical BioTrade publishes a standardisation work programme. Download our current work programme here

Scope of verification

Native species
This UEBT’s verification framework for natural ingredients applies to native natural ingredients, either collected from the wild or cultivated for harvesting in the area where they are naturally and originally distributed. The term "native" applies to species collected or produced in their original distribution areas.

Position in the supply chain
The Verification Framework may be applied at all stages of the supply chain. Its application will depend on the position of the Trading Member in the supply chain (see diagram). For example, Trading Members that are buyers will be audited against the applicable requirements in the Verification Framework, as identified in the guidance documents. Buyers must gradually ensure that the Verification Framework is applied throughout the supply chain, which the auditors will verify through sampling.

Producer organisations
Producer organisations have the responsibility to implement a management system at the ground level that ensures compliance of production methods with the requirements of the UEBT’s Verification Framework.

Verification Bodies
In order to minimize costs for UEBT and its members, the verification system of the Union for Ethical BioTrade relies as much as possible on existing certification or verification mechanisms. To this end, UEBT has signed Memorandums of Understanding with the Forest Stewardship Council and RainForest Alliance / Sustainable Agriculture Network.

- The Forest Stewardship Council: 24 certification bodies, from small NGOs to transnational companies. Certification operational in 79 countries. Web: www.fsc.org
- The RainForest Alliance/ SAN (Sustainable Agriculture Network): 10 certification bodies in Latin America and USA, all NGOs. Certification operational in 19 countries (Latin America, Ethiopia, Indonesia and Philippines). Web: www.rainforest-alliance.org
For verification, the Union for Ethical BioTrade has agreements with the following verification bodies:

1. **Imaflora**: member of the Forest Stewardship Council (FSC) and of the Sustainable Agriculture Network (SAN), as well as being a Certification Body to both systems. It is focused mainly on Brazil, but has equally audited in other South American and European countries.
   - Web: [www.imaflo.org](http://www.imaflo.org)
   - Contact: Luis Fernando Guedes Pinto.

2. **SGS Qualifor**: based in South Africa, it has offices in more than 140 countries and is accredited by the FSC. They have issued FSC certificates in 60 countries worldwide.
   - Web: [www.forestry.sgs.com](http://www.forestry.sgs.com)
   - Contact: Gerrit Marais.

3. **IMO Control**: Swiss-based, it has offices in 7 countries, is FSC accredited and has issued FSC certificates in 10 countries worldwide.
   - Web: [www.imo.ch](http://www.imo.ch)
   - Contact: Wolfgang Kathre.

4. **Fundacion Natura** is the Sustainable Agriculture Network (SAN) member in Colombia and is one of the most renowned NGOs in this country.
   - Web: [www.natura.org.co](http://www.natura.org.co)
   - Contact: Ana Maria Hernandez Salgar.

5. **Control Union Certifications**, CUC is a company member of Control Union World Group and is an inspection and certification body. It has over 50 offices worldwide and is based in Rotterdam, the Netherlands.
   - Web: [www.controlunion.com](http://www.controlunion.com)
   - Contact: Mike van der Laak.

6. **Ecocert-Afrisco** is an organic certification body, which carries out inspections and certification services according to European organic regulations, the US National Organic Program, Japanese organic standards, and the Afrisco Organic Standard.
   - Web: [www.afrisco.net](http://www.afrisco.net)

7. **SGS del Peru S.A.C.** is a division of SGS, a leading inspection, verification, testing, and certification company operating in more than 1,000 offices and laboratories around the world. SGS del Peru has several offices in the nation’s main cities where auditing, advisory, and monitoring services are offered exclusively tailored within the context of the country.
   - Web: [www.pe.sgs.com](http://www.pe.sgs.com)

8. **Soil Association** is a membership charity campaigning for planet-friendly food and farming. They believe in the connection between soil, food, the health of people and the health of the planet. They work on organic standards and certification amongst others. They have offices in Bristol and Edinburgh (UK).
   - Web: [www.soilassociation.org](http://www.soilassociation.org)
9. **Instituto Biodinâmico (IBD)** is a Brazilian company whose purpose is to participate in the development of organic, biodynamic and socially correct agriculture, processing, trading and its markets, through certification. They across Brazil, and in some countries in South America, Central America, Europe and Asia. Web: [www.ibd.com.br](http://www.ibd.com.br)

Prospective Trading Members that require assistance in the selection of verification bodies are invited to contact UEBT. Verification bodies interested in conducting audits for the UEBT's members are referred to the [information for verification bodies](#).

**Our Members**

**Provisional Members**

Provisional members have successfully passed the UEBT entry audit conducted by an independent Verification Body (step II). They are in the process of developing their work-plan to reach compliance with the Ethical BioTrade Standard. Once the work-plan is approved, they will become Member.

- Kenzo Parfums, France

**Stakeholders Consultation:**

Within two months after Provisional Member status has been granted, UEBT gives stakeholders the opportunity to comment on Provisional Members regarding their compliance with the UEBT membership conditions. If you wish to take part in this consultation process, please submit your comments to the following address: info@ethicalbiotrade.org no later than two months after provisional membership has been granted.

**Trading Members**

- Aldivia, France
- Aroma Forest, Madagascar
- Serdex, France
- Candela, Peru
- Ecoflora, Colombia
- Labfarve, Colombia
- Natura, Brazil
- Nextra, Nicaragua
- **Organic Herb Trading Partners**, UK

To request public audit reports and work-plans of our members, please click on the envelope next to the name of the member you are interested in, for us to send you the reports by email.

**Affiliate Members**

- Alianza Natural, Colombia
- **Corpe**, Ecuador
- **Fundacion amigos de la naturaleza (Friends of nature foundation)**, Bolivia
- **Fondo Accion**, Colombia
- Fondo Biocomercio, Colombia
- Giramundo, Brazil
- IFC, USA
- L'homme et l'environnement, Madagascar
- Nativa, Colombia
- PhytoTrade Africa, South Africa
- PIEC, Switzerland
- Sustainway, France
- UNF, USA
International Federation of Organic Agriculture
Movements (IFOAM)

This section is retrieved from: www.ifoam.org

IFOAM is the worldwide umbrella organization for the organic movement, uniting more than 750 member organizations in 116 countries.

Organic trade is a rapidly growing reality all over the world. The growth rates of the organic sector demonstrate that organic products are moving from the “niche” and entering mainstream markets. The total land under certified organic production worldwide has reached over 26 Million hectares. IFOAM is at the center of this development.

International Relationships
IFOAM actively participates in international agricultural and environmental negotiations with the United Nations and multilateral institutions to further the interests of the organic agricultural movement worldwide. IFOAM is uniquely recognized for taking on this important role. The introduction of the Principles of Organic Agriculture and the recognition of IFOAM by international institutions is of enormous importance for the further development of Organic Agriculture.

The Organic Guarantee System
IFOAM provides a market guarantee for integrity of organic claims. The Organic Guarantee System (OGS) unites the organic world through a common system of standards, verification and market identity. It fosters equivalence among participating IFOAM accredited certifiers, paving the way for more orderly and reliable trade whilst acknowledging consumer trust in the organic ‘brand’.

Facilitating Networks and Market Development
Through IFOAM programs, conferences and events, IFOAM is laying the groundwork for the further development of Organic Agriculture and its markets worldwide. Through IFOAM World Congresses, International Trade conferences, commodity specific (coffee, seeds, wild products, etc.) and other events, IFOAM brings together the key players from all over the planet to facilitate trade in organic products.

The IFOAM Organic Guarantee System Enables Trade, Upholds Organic Integrity and Assures Consumers Internationally
In the rapidly growing environment of marketing and trade of products claiming to be “organic,” IFOAM provides a market guarantee of the integrity of organic claims. The Organic Guarantee System (OGS) unites the organic world by providing a common set of standards for organic production and processing, and a common system for verification and market identity. It fosters equivalence of participating certifiers and thereby facilitates the trade of organic products between operators certified by different participating certification bodies.

The IFOAM Organic Guarantee System enables organic certifiers to become “IFOAM Accredited” and for certified operators to label their products with the IFOAM Seal, next to the logo of their IFOAM accredited certifier. More than 35 certifiers worldwide participate in IFOAM accreditation. The OGS Offers Conformity Assessment to Accepted International Norms IFOAM Accreditation guarantees to buyers, government authorities, other control agencies, and the public, that a product has been produced within a system that conforms to accepted international standards for organic production, processing, and certification. The IFOAM Accreditation Program is implemented by the International Organic Accreditation Service (IOAS).

IFOAM’s Basic Standards (IBS) and Accreditation Criteria are generally respected as the international guideline from which national standards and inspection systems may be built.

The Principles of Organic Agriculture
Developed through broad stakeholder dialogue, these Principles are the roots from which organic agriculture will grow and develop. They express the contribution that organic agriculture can make to the world and a vision to improve all agriculture in a global context.

Agriculture is one of humankind’s most basic activities because all people need to nourish themselves daily. History, culture and community values are embedded in agriculture. The Principles apply to agriculture in the broadest sense, including the way people tend soils, water, plants and animals in order to produce, prepare
and distribute food and other goods. They concern the way people interact with living landscapes, relate to one another and shape the legacy of future generations.

The Principles of Organic Agriculture serve to inspire the organic movement in its full diversity. They guide IFOAM’s development of positions, programs and standards. Furthermore, they are presented with a vision of their world-wide adoption.

Organic agriculture is based on:
- The principle of health
- The principle of ecology
- The principle of fairness
- The principle of care

Each principle is articulated through a statement followed by an explanation. The principles are to be used as a whole. They are composed as ethical principles to inspire action.

**Principle of health**

*Organic Agriculture should sustain and enhance the health of soil, plant, animal, human and planet as one and indivisible.*

This principle points out that the health of individuals and communities cannot be separated from the health of ecosystems - healthy soils produce healthy crops that foster the health of animals and people. Health is the wholeness and integrity of living systems. It is not simply the absence of illness, but the maintenance of physical, mental, social and ecological well-being. Immunity, resilience and regeneration are key characteristics of health.

The role of organic agriculture, whether in farming, processing, distribution, or consumption, is to sustain and enhance the health of ecosystems and organisms from the smallest in the soil to human beings. In particular, organic agriculture is intended to produce high quality, nutritious food that contributes to preventive health care and well-being. In view of this it should avoid the use of fertilizers, pesticides, animal drugs and food additives that may have adverse health effects.

**Principle of ecology**

*Organic Agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.*

This principle roots organic agriculture within living ecological systems. It states that production is to be based on ecological processes, and recycling. Nourishment and well-being are achieved through the ecology of the specific production environment. For example, in the case of crops this is the living soil; for animals it is the farm ecosystem; for fish and marine organisms, the aquatic environment.

Organic farming, pastoral and wild harvest systems should fit the cycles and ecological balances in nature. These cycles are universal but their operation is site-specific. Organic management must be adapted to local conditions, ecology, culture and scale. Inputs should be reduced by reuse, recycling and efficient management of materials and energy in order to maintain and improve environmental quality and conserve resources.

Organic agriculture should attain ecological balance through the design of farming systems, establishment of habitats and maintenance of genetic and agricultural diversity. Those who produce, process, trade, or consume organic products should protect and benefit the common environment including landscapes, climate, habitats, biodiversity, air and water.

**Principle of fairness**

*Organic Agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities*
Fairness is characterized by equity, respect, justice and stewardship of the shared world, both among people and in their relations to other living beings.

This principle emphasizes that those involved in organic agriculture should conduct human relationships in a manner that ensures fairness at all levels and to all parties - farmers, workers, processors, distributors, traders and consumers. Organic agriculture should provide everyone involved with a good quality of life, and contribute to food sovereignty and reduction of poverty. It aims to produce a sufficient supply of good quality food and other products.

This principle insists that animals should be provided with the conditions and opportunities of life that accord with their physiology, natural behavior and well-being.

Natural and environmental resources that are used for production and consumption should be managed in a way that is socially and ecologically just and should be held in trust for future generations. Fairness requires systems of production, distribution and trade that are open and equitable and account for real environmental and social costs.

**Principle of care**

*Organic Agriculture should be managed in a precautionary and responsible manner to protect the health and well-being of current and future generations and the environment.*

Organic agriculture is a living and dynamic system that responds to internal and external demands and conditions. Practitioners of organic agriculture can enhance efficiency and increase productivity, but this should not be at the risk of jeopardizing health and well-being. Consequently, new technologies need to be assessed and existing methods reviewed. Given the incomplete understanding of ecosystems and agriculture, care must be taken.

This principle states that precaution and responsibility are the key concerns in management, development and technology choices in organic agriculture. Science is necessary to ensure that organic agriculture is healthy, safe and ecologically sound. However, scientific knowledge alone is not sufficient. Practical experience, accumulated wisdom and traditional and indigenous knowledge offer valid solutions, tested by time. Organic agriculture should prevent significant risks by adopting appropriate technologies and rejecting unpredictable ones, such as genetic engineering. Decisions should reflect the values and needs of all who might be affected, through transparent and participatory processes.

**Organic Standards and Certification**

**Third Party Certification**

Organic standards have long been used to create an agreement within organic agriculture about what an "organic" claim on a product means, and to some extent, to inform consumers. Regional groups of organic farmers and their supporters began developing organic standards as early as in the 1940’s. Currently there are hundreds of private organic standards worldwide; and in addition, organic standards have been codified in the technical regulations of more than 60 governments.

Third-party organic certification was first instituted in the 1970’s by the same regional organic farming groups that first developed organic standards. In the early years, the farmers inspected one another on a voluntary basis, according to quite a general set of standards. Today third-party certification is a much more complex and formal process. Although certification started as a voluntary activity, the market began to demand it for sales transactions, and now it is required by the regulations of many governments for any kind of an "organic" claim on a product label.

**The Organic Guarantee System and the IFOAM Basic Standards and Accreditation Criteria**

IFOAM’s Organic Guarantee System (OGS) is designed to a) facilitate the development of organic standards and third-party certification worldwide, and to b) provide an international guarantee of these standards and organic certification. The IFOAM Basic Standards and the Accreditation Criteria are two of the main components of the OGS. Visit the [Organic Guarantee System Section](#) on this website for further information.
Other Guarantee Systems

When organic farmers and traders are operating in an anonymous market, certification has been developed to show and guarantee that a product has been produced organically. Certification is the formal and documented procedure by which a third party assures that the organic standards are followed. Certification leads to consumers’ trust in the organic production system and the products. Certification gives organic farming a distinct identity and credibility and makes market access easier.

However, besides third party certification and formal standards, there are other methods of organic quality assurance for certain situations and markets. These can be in the form of self-declaration, or participatory guarantee systems, which are seen by IFOAM as suitable for local markets that are not so anonymous as the standard “trade”.

Participatory Guarantee System

Participatory Guarantee Systems (PGS) are quality-assurance initiatives using their own written standards, often based on IFOAM’s Basic Standards. PGS are specific to individual communities, geographic areas, politics and their markets and the methods of verification that are used vary. Credibility is ensured through the participation of all stakeholders involved in production and consumption of organic products. In the majority of cases Participatory Guarantee Systems do not only guarantee the credibility of organic produce, but are closely linked to local and alternative marketing approaches.

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IOAS International Organic Accreditation Service
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Jamestown, ND 58401 USA
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Website: www.ioas.org
ICEA, Ethical and Environmental Certification Institute

This section is retrieved from: http://www.icea.info/

ICEA is one of the top certification bodies in Italy and in Europe, certifying more than 12,000 firms with strong ethical, environmental and social values, employing 300 technical staff and running 23 Operations Centres throughout Italy and abroad. ICEA inspects and certifies firms respectful for the environment, workers' dignity and collective rights.

With more than 300 experts inspecting over 11 thousands firms, from its 17 branches throughout Italy and 7 abroad, ICEA is one of the most prominent inspection and certification bodies in the field of sustainable development.

ICEA's activities support a fair and socially sustainable development that from the agriculture extend to the others organic and ecological sectors.

Comprising institutions and associations promoting alternative production model, ICEA is a consortium with independent trading activity, open to anyone who shares its mission.

ICEA members include:
- ACU www.acu.it
- ANAB www.anab.it
- Banca Popolare Etica www.bancaetica.com
- CSQA www.csqa.it
- DHO www.dionet.gr
- Fairtrade Italy www.equo.it

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FairWild Foundation

This section is retrieved from: www.fairwild.org

Established in 2008, the FairWild Foundation promotes the sustainable use of wild-collected ingredients, with a fair deal for all those involved throughout the supply chain.

Background
The increasing demand for wild plants – as ingredients for food, cosmetics, well-being and medicinal products – poses major ecological and social challenges. The pressure on potentially vulnerable plant species can endanger local ecosystems and the livelihoods of collectors, who often belong to the poorest social groups in the countries of origin.

As a response to these concerns, the FairWild Foundation promotes the FairWild Standard and certification system for the sustainable management and collection of wild plants. The FairWild standard is also proving instrumental for the implementation of existing regulatory frameworks provided by National Resource Management Systems as well as by International Conventions such as:

- The Convention on Biological Diversity (CBD)
- The Non-Detriments Findings Process of CITES

Mission Statement
We aim to provide a worldwide framework for implementing a sustainable, fair and value-added management and trading system for wild-collected natural ingredients and products thereof.

What we do
- We encourage sustainable and fair business practices and focus on influencing consumer choice.
- We inform, advise and assist those involved in the wild plant trade.
- We provide advice on the application of the FairWild Standard and supply chain certification.
- We provide advice on the application of standards for sustainable and fair management of trade in conservation, trade policy and other regulations.

We offer A Total Quality Management System – to assure buyers that FairWild Certified products are sourced and produced in a socially and ecologically sound way.

FairWild Standard
Accountability and fair trade are becoming increasingly important criteria in the global marketplace. Several product certification and labelling schemes currently exist, but are generally not appropriate for wild plant products.

The FairWild Foundation therefore developed a Standard to meet this need. The FairWild Standard assesses the harvest and trade of wild plants against various ecological, social and economic requirements. Use of the FairWild Standard helps support efforts to ensure plants are managed, harvested and traded in a way that maintains populations in the wild and benefits rural producers.

The current FairWild Standard was developed through a combination of an original FairWild Standard, dealing with social aspects (the Social Module), and the International Standard for
Sustainable Wild Collection (ISSC-MAP) dealing with ecological aspects (the Ecological Module: ISSC-MAP Standard English).

Draft implementation guidance documents: These draft implementation guidance documents were developed as part of a project piloting ISSC-MAP implementation in selected countries worldwide. This project began before the merger of ISSC-MAP and FairWild and consequently the documents only address the principles and criteria of the former ISSC-MAP Standard. The documents will soon be revised to reflect the merger and will be translated into other languages. ISSC-MAP Resource Assessment guidance document (DRAFT: PDF, 1.1 MB) ISSC-MAP Management Planning guidance document (DRAFT: PDF, 800 KB)

Social Module (FairWild Standard): FairWild Standard (English) (PDF, 300 KB)

Requirements
i) Wild-collection and conservation requirements
   • Wild resources maintained
   • No negative environmental impacts

ii) Relationship between collectors and collecting station
   • Fair contractual relationship with collectors
   • No discrimination
   • No child labour
   • Fair trade benefits for collector communities

iii) Fair labour conditions in collecting and processing companies
   • Fundamental principles and rights at work
   • Good healthy working conditions

iv) Obligations of FairWild companies towards their suppliers and buyers
   • Sustainable sourcing practices employed
   • Fair trade practices: fair pricing and fair trade premiums paid to source

v) Legal and ethical requirements
   • Compliance with laws, regulations and agreements
   • Customary rights respected

vi) Management and business practices
   • Good management and business practices applied
   • Transparent cost-calculation and benefit-sharing throughout the value chain

FairWild Certification
FairWild Certification means that buyers know they are supporting fair trading – the products are legally and sustainable sourced, and the benefits are felt by all those involved right down to the local communities harvesting the wild plants.

Who needs to be certified?
For a product to be sold as FairWild Certified all those involved in the national or international supply need to be assessed:
   • Collectors
   • Purchase centres Collectors associations / co-operatives
   • Manufacturers or NGOs contracting collectors for production
   • Manufacturers / processors in the country of origin (food, pharmaceutical, cosmetics)
   • Traders and exporters in the country of origin
   • Importers, processors and marketing companies in the consumer countries can become certified on a voluntary basis (food, pharmaceutical, cosmetics)

What products can be certified?
   • Products collected from the wild (e.g. medicinal and aromatic plants, berries, wild fruits, nuts and seeds, mushrooms, honey)
   • Raw materials for finished products (e.g. essential and fatty oils)
   • Products containing FairWild ingredients (see FairWild Labelling)