



FAIRTRADE STANDARDS

FOR

Herbs and Spices

FOR

Small Farmers' Organizations

PART A Generic Fairtrade Standards for Small Farmers' Organisations
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Refer to the generic standard for Small Farmers' Organisations as a separate document as updated by FLO on its website. Note that the following parts B and C are only applicable in connection with the generic standard.

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The product specific standards for herbs and spices apply to all products and countries for which a Fairtrade price and/or premium is set in part C below.

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PART B Product Specific Standards for Herbs and Spices

1 Social Development

There are no additional social standards specific to herbs and spice producers.

2 Economic Development

There are no additional economic standards specific to herbs and spice producers.

3 Environmental Development

There are no additional environmental standards specific to herbs and spice producers.

PART C Trade Standards for Herbs and Spices

1. Product Description

Spices are derived from aromatic plants' bark, roots, seeds, buds and fruits. They include for example: pepper, capsicums (chilies and cayenne pepper), coriander, cinnamon, ginger, nutmeg, mace, caraway, cumin, turmeric, cloves, cardamom, vanilla.

Herbs are typically derived from aromatic plants' leafy parts. They include for example: lemon verbena, dill, water mint, lemongrass, orange leaves, camomile, lemon balm, peppermint, borage, basil, celery, oregano, parsley, rosemary, thyme, chervil, caraway.

2. Qualities

The required quality standards for all types of spices are agreed between the buyer and seller with reference to customary international trade standards.

3. Purchase of Fairtrade Herbs and Spices

Buyer and seller are interested in a long term relation, fair and stable prices; to this end buying/sales commitments are negotiated at the beginning of the season among the parties and fixed in a letter of intent that specifies quantities and quality with respect to the conditions for Fairtrade transactions.

4. Pricing and Premium

- 4.1 Buyers shall pay producer organizations at least the Fairtrade minimum price as set by FLO.
- 4.2 If the market price is higher than the Fairtrade minimum price, the market price shall apply.
- 4.3 In addition to the Fairtrade minimum price the buyers shall pay a Fairtrade premium as set by FLO.
- 4.4 For the calculation of local minimum prices in USD and EUR the following exchange rates were used:
 - Sri Lanka: LKR 137 = EUR 1
 - India: INR 57 = EUR 1

Fairtrade Minimum Price and Premium Information for Spices					
Product	Type	Country	FT Minimum Price Farm Gate per kg	FT Price FOB per kg	Fairtrade Premium per kg
Vanilla (green bean)	conventional	Eastern Africa, South-Eastern Asia and Oceania	4.3 US\$		0.5 US\$
Vanilla (green bean)	organic	Eastern Africa, South-Eastern Asia and Oceania	5.2 US\$		0.5 US\$
Vanilla (green bean)	conventional and organic	India and Sri Lanka	5.3 US\$		0.59 US\$
Vanilla (cured)	conventional	Eastern Africa, South-Eastern Asia and Oceania	42.0 US\$	62.0 US\$	5.0 US\$
Vanilla (cured)	organic	Eastern Africa, South-Eastern Asia and Oceania	46.2 US\$	66.2 US\$	5.0 US\$
Vanilla (cured)	organic	India and Sri Lanka	43.83 €		5.87 €

Black pepper	organic	India and Sri Lanka	1.13 €		0.08 €
White pepper	organic	India and Sri Lanka	1.81 €		0.19 €
Ginger (fresh)	organic	India and Sri Lanka	0.57 €		0.06 €
Ginger	organic	India and Sri Lanka	2.85 €		0.30 €
Nutmeg	organic	India and Sri Lanka	1.74 €		0.24 €
Mace	organic	India and Sri Lanka	5.38 €		0.15 €
Turmeric (fresh)	organic	India and Sri Lanka	0.21 €		0.03 €
Clove	organic	India and Sri Lanka	2.36 €		0.31 €
Cardamom	organic	India and Sri Lanka	5.53 €		0.99 €
Cinnamon	organic	India and Sri Lanka	3.64 €		0.21 €

Fairtrade Minimum Price and Premium Information for Herbs				
Product	Type	Country	FT Minimum Price Farm Gate per kg (dried whole leaves)	Fairtrade Premium per kg (dried whole leaves)
lemon verbena	organic	Ecuador	2.69 US\$	0.30 US\$
dill	organic	Ecuador	3.53 US\$	0.30 US\$
water mint	organic	Ecuador	2.52 US\$	0.30 US\$
lemongrass	organic	Ecuador	2.75 US\$	0.30 US\$
orange leaves	organic	Ecuador	2.92 US\$	0.30 US\$
german camomile	organic	Ecuador	3.72 US\$	0.30 US\$
peppermint	organic	Ecuador	2.55 US\$	0.30 US\$
lemon balm	organic	Ecuador	2.56 US\$	0.30 US\$
borage	organic	Ecuador	4.46 US\$	0.30 US\$
basil	organic	Ecuador	2.92 US\$	0.30 US\$
celery	organic	Ecuador	3.37 US\$	0.30 US\$
oregano	organic	Ecuador	2.79 US\$	0.30 US\$
parsely	organic	Ecuador	3.91 US\$	0.30 US\$
rosemary	organic	Ecuador	1.89 US\$	0.30 US\$
thyme	organic	Ecuador	2.37 US\$	0.30 US\$

5. Pre-financing

On request of the seller the buyer has to make available pre-financing for up to 60% of the contract value. Pre-financing is meant to finance the buying operations of the producers' organisation at the local level. The involved parties arrange the details of pre-financing in the respective contracts on mutual agreement.

6. Information rights and obligations

- 6.1 Clear written agreements for the Fairtrade transactions exist with all involved parties, on all levels of processing and marketing up to the export level.
- 6.2 All involved parties sign the respective agreements with FLO that guarantee the required transparency for all Fairtrade transactions.

7. International Customary Conditions

All international customary conditions apply unless overruled by any of the special FLO conditions as specified in these criteria or other agreements with FLO.