# Consultation Conclusions for the Stakeholders of Fairtrade Finland

Fairtrade Finland's Standard for Wild Berries in Finland

Consultation Period	13 March 2024 – 3 April 2024
Project Specialist	Grete Vaatmann

# **PART 1 Introduction**

# Introduction

In January 2024, Fairtrade Finland launched the Berry Pilot Project in collaboration with berry companies, producers, and retailers. As part of the drafting of the new Standard, a three-week consultation period was conducted from March 13 to April 3, 2024, involving extensive engagement with stakeholders. The goal was to ensure that the new and revised requirements align with Fairtrade's strategic objectives, reflect the realities of suppliers and traders, and meet consumer expectations.

Based on the feedback received during the consultation, the requirements were updated and finalized. This decision-making process was carried out by the Standards Committee responsible for developing the wild berry Standard under Fairtrade Finland's guidance. The Standards Committee includes representatives from Fairtrade Finland, the Industrial Union (which negotiates and signs collective bargaining agreements for horticulture), the European Institute for Crime Prevention and Control (affiliated with the United Nations), and Victim Support Finland (RIKU).

A summary of the reasoning and outcomes of the consultation round can be found in this document.



# Contents

PAR <sup>-</sup>	T 1 Introduction	1
Inti	roduction	1
Sta	atistics of the consultation round	2
0ve	erview of the consultation responses	3
Кеу	y requirements and Fairtrade Finland's conclusions	4
PAR <sup>-</sup>	T 2 Fairtrade Finland's Standard for Wild Berries in Finland	9
1.	General requirements	9
2.	Trade	13
3.	Due diligence	15
4.	Recruitment	20
5.	Awareness raising	
6.	Salary and working conditions	
7.	Representation	
8.	Housing and nutrition	

# Statistics of the consultation round

All the information that we received from the respondents has been treated with care and confidentiality. This document serves to summarize and analyse the responses received during the consultation.

The consultation round, held from March 13 to April 3, 2024, focused on a Consultation paper comprising 66 requirements. Feedback was solicited from various stakeholders including berry companies, producers, processors, retailers, NGOs, and government agencies. A total of 15 respondents submitted written feedback, while verbal comments from 12 stakeholders were also documented as consultation comments. Additionally, as part of the consultation process, both potential upcoming and former pickers were interviewed in Thailand and Finland. In the final version of the Standard by Fairtrade Finland, a total of 61 requirements were included.

Out of the participants, 12 respondents returned the Consultation paper, selecting from options like "Strongly agree," "Partially agree," "Disagree," and "Not relevant to me or I don't know," typically choosing the option that best aligned with their views. However, some respondents selected between 0 to 3 options for the same requirement, resulting in a total of 750 selections across all categories. The majority of the feedback was positive, with 583 selections for "Strongly agree" and 97 for "Partially agree." There were 20 "Disagree" responses and 50 marked as "Not relevant to me/I don't know," indicating broad support for the proposed requirements.





# **Overview of the consultation responses**

#### <u>General</u>

During the consultation period, most of the feedback on the consultation paper was positive, highlighting the Standard's potential to enhance ethical standards and transparency within the industry. The feedback broadly stated that the existing legal framework for wild berry sourcing has been inadequate in protecting pickers and providing guidance for companies operating in the sector. Consequently, the pilot was viewed as a crucial tool for identifying and addressing these gaps. To this end, Fairtrade Finland's pilot was seen as a positive, business-initiated effort to seek solutions in the berry sector.

Several respondents particularly endorsed the adoption of formal employment relationships, viewing this as a crucial step towards more secure and regulated labour conditions for pickers. The requirement for an employment relationship in Fairtrade-certified wild berries was also seen as fundamental, especially since the Ministry for Foreign Affairs of Finland's decision to stop issuing Schengen visas had already prompted the sector to prepare for employing their pickers for the 2024 season. They also supported the full implementation of the Employer Pays Principle (EPP) and advocated for fair and transparent distribution of recruitment costs throughout the supply chain. They argued that this promotes fairness by relieving workers of the financial burden and ensures equity across the supply chain.

Conversely, some of respondents voiced reservations about the rapid implementation of the EPP and the formalization of employment relationships, especially simultaneously, citing practical and economic challenges. Their concerns primarily centred on the feasibility of quickly adjusting recruitment practices to meet Fairtrade Finland's standards. These respondents also pointed out potential increases in operational costs and competitive pricing challenges. Despite their concerns, these stakeholders still supported most elements of the consultation paper. They recognized the need for improved standards but advocated for a more phased and flexible implementation that would allow the industry to adapt gradually.



#### **Berry pickers**

Many experienced pickers, who have been visiting Finland and Sweden for decades, have been generally satisfied with the training, food, and accommodation provided under the "Berry Act". They prioritize income and are accustomed to long, labour-intensive hours, which have allowed them to make significant profits, and consequently, investments back home. However, concerns exist about potential changes in employment relationships that could impact the income levels of top earners, who are hopeful of maintaining their earnings in future seasons. Additionally, these pickers emphasized the importance of consistent access to Finland, as they have financially planned around the expectation of returning annually. This stability is crucial for their long-term financial commitments, such as car and tractor loans, tied to their earnings from berry picking.

Pickers, who feel they have been exploited, as well as some activists, raised substantial concerns about the berry industry. They argued that the industry's focus on future business models fails to address and compensate for past human rights abuses, including debt bondage, exploitation, inhumane living conditions, and exorbitant costs for accommodation and food. Moreover, pickers who feel exploited are worried that the pilot may inadvertently whitewash the actions of previously irresponsible companies. While they acknowledged Fairtrade's intent to enhance human rights through its Standard, they emphasized the need for an intergovernmental solution to these systemic problems. They expect that any new initiatives, like the pilot, should not only align with Fairtrade standards but also consider ongoing human trafficking investigations and legal proceedings in their implementation and partner selections.

# Key requirements and Fairtrade Finland's conclusions

Despite the overall positive reception of the requirements, several significant concerns were highlighted in written submissions. Below, we summarize the most noteworthy and contentious issues. For more detailed conclusions, please refer to the specific sections under each requirement.

#### 2.1.2 Record-keeping on pickers and purchases

Consultation feedback initially supported the record-keeping requirement for berry companies. However, after establishing that the Standard mandates an employment relationship between the picker and the berry company, the record-keeping requirement was deemed duplicate and subsequently removed.

#### 4.1 Employment

The consultation responses highlighted the need for reform and clarity in the wild berry picking industry's recruitment and employment practices. There was a strong call for clearer employment standards, direct employment relationships governed by Collective Bargaining Agreements (CBAs), and sector-specific regulations to protect picker rights, moving away from treating pickers as independent actors without adequate labour law protections. In response, Fairtrade Finland has mandated that berry picking must occur within formal employment relationships, viewing this as essential for improving picker protection and establishing decent working conditions. This decision aligns with the Ministry for Foreign Affairs' advocacy for employment relationships for berry pickers, supported by the Ministry of Economic Affairs and Employment's plans to amend the Seasonal Workers Act to include wild berry picking by 2025.

The language of this Standard was revised to accurately reflect employment terminology.





### 4.6 Informing local authorities/other bodies

Based on consultation feedback, the requirement to inform local authorities and others about accommodation, incomes, and deductions, along with the commitment to Employer Pays Principle (EPP) on recruitment and travel costs, was widely accepted. However, it was ultimately removed from this Standard as the employment relationship ensures that responsible authorities already receive all necessary information.

#### 4.7 Recruitment and travel costs

The proposed requirement for berry companies to cover recruitment and travel expenses elicited mixed reactions. Most consultation responses supported the Employer Pays Principle (EPP) and called for transparency in cost-sharing among stakeholders to avoid burdening pickers unfairly. However, some raised concerns about the economic impact on berry companies, particularly smaller ones, fearing that higher costs might reduce competitiveness and either decrease employment opportunities or increase berry imports. In response, Fairtrade Finland revised the guidance to be more targeted and reaffirmed the importance of responsible recruitment practices. Fairtrade Finland recognizes that the Employer Pays Principle (EPP) incurs significant costs for berry companies, which need to be shared fairly across the supply chain. To address this, requirement 4.8 mandates that processors and retailers negotiate with berry companies to cover the costs of fair recruitment. This ensures that all parties in the value chain are aware of these costs and contribute to them, preventing any financial burden from falling on the berry pickers. This strategy encourages responsible purchasing practices and sustainable cost-sharing among processors and retailers.





### 6.1 Payment and agreement on the market price

Following the consultation, this Standard requires employment relationship between the picker and the berry company. Thus, the requirement on Fairtrade Minimum Price became irrelevant and was deleted. At the end of the pilot, the necessity of this requirement will be re-evaluated.

#### 6.2 Payment of Fairtrade Minimum Price

Following the consultation, this Standard requires employment relationship between the picker and the berry company. Thus, the requirement on Fairtrade Minimum Price became irrelevant and was deleted. At the end of the pilot, the necessity of this requirement will be re-evaluated.

#### 6.3 Picking time restrictions

Following the consultation, this Standard requires employment relationship between the picker and the berry company. Thus, working hours will be regulated by the Collective Bargaining Agreement. Previously, Fairtrade Finland agreed with the concerns raised about ensuring adequate rest for pickers but noted that restricting picking times was not feasible under the "Berry Act".





# 6.4 Provision of tools

Consultation responses largely supported the provisions outlined in the Consultation paper, which state that berry companies should provide all necessary equipment for pickers to perform their work safely and effectively. This support reflects a consensus that such provisions are standard requirements employers should meet. Specifically, the equipment to be provided includes protective/warm clothing suitable for colder months, shoes, picking tools, and vehicles with fuel. Additionally, the consultation mostly endorsed supplying all pickers with sim cards, complete with call and data packages for the entire picking season, free of charge.

#### 7.1 Pickers' representative

This requirement ensures regular and direct communication between the berry company's management and the pickers. Consultation feedback revealed difficulties faced by berry pickers, from diverse backgrounds and short-term stays, in engaging with Finland's workers' representative system. Concerns were also raised regarding concerns about bureaucratic complexities of the system on pickers' representative. Despite these challenges, the requirement was maintained due to the importance of collective bargaining and organization in Fairtrade principles. To address the concerns raised, the timeframe for organizing the initial meeting was extended from one to two weeks.

#### 7.6 Communicating Freedom of Association rights to employees

This requirement to communicate the Freedom of Association policy to employees was broadly accepted. However, requirements 7.5 (on 7.5 Freedom of Association policy) and 7.6 were merged for clarity.

#### 8.2 Location of accommodation

Many respondents to the consultation emphasized that Fairtrade Finland's initial proposal to limit picker accommodation to no more than one hour from the picking site was impractical. Consequently, the requirement was revised to allow for 'exceptional circumstances. Consequently, the requirement was revised to include a reference to "exceptional circumstances".







# PART 2 Fairtrade Finland's Standard for Wild Berries in Finland

# 1. General requirements

Intent: To establish a robust process to ensure that all Fairtrade products, marks, and claims are reliable.

### 1.1 Right to trade Fairtrade products

Intent: To ensure that all operators trading Fairtrade products are entitled to do so and submit themselves to the appropriate audit mechanisms to ensure that they comply with all relevant rules.

#### 1.1.1 Permission to trade

#### Applies to: All actors

You start trading Fairtrade products after you receive the relevant permission from the certification body.

#### **Consultation responses:**

Strongly agree: 11 Partially agree: 0 Disaaree: 0

Not relevant to me / I don't know: 1

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

#### 1.1.2 Accepting audits and information requests

Applies to: All actors

You accept announced and unannounced audits of your operations and premises. You allow auditors, Fairtrade Finland, and its representatives to interact with contractor(s), employees, and service providers to discuss matters related to Fairtrade as needed. You do all the required reporting and provide all the information that Fairtrade Finland or auditors request, to verify compliance with this standard.

**Consultation responses:** 

Strongly agree: 11 Partially agree: 1 Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, requirements 1.1.3, 3.2, and 4.5 streamlined to avoid overlapping requirements.

# 1.1.3 Compliance in the supply chain

#### Applies to: All actors

You contractually require that the additional entities that you work with comply with this Standard, accept audits, and do regular reporting, as requested by the certification body. When you start working with a new additional entity, you register the new additional entity with the certification body

#### Consultation responses:

Strongly agree: 11 Partially agree: 0 Disagree: 1 Not relevant to me / I don't know: 0



**Fairtrade Finland's conclusion:** Based on the consultation responses, requirements 1.1.3, 3.2, and 4.5 streamlined to avoid overlapping requirements. The title of this requirement was altered accordingly.

### 1.1.4 Fairtrade sourcing partners

Applies to: All actors

You purchase Fairtrade products only from Fairtrade actors with a valid certification or verification.

Consultation responses:

Strongly agree: 11 Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 1

**Fairtrade Finland's conclusion**: Based on the consultation responses, the original requirement was accepted as it stands.

#### 1.1.5 Fairtrade sales partners

Applies to: All actors

You ensure that Fairtrade products not in consumer-ready packaging are only sold to Fairtrade traders with a valid certification.

**Guidance**: Fairtrade products are sellable to non-Fairtrade buyers as well, but this will mean that the products lose their Fairtrade status.

**Consultation responses:** 

Strongly agree: 6 Partially agree: 1 Disagree: 1 Not relevant to me / I don't know: 3 Fairtrade Finland's conclusion: Based on the consultation responses, guidance was added.

#### 1.1.6 Suspension

Applies to: All actors

You do not sign new Fairtrade contracts if:

• Your supplier/buyer is suspended; or

• You are suspended. You can continue honouring existing contracts, but you cannot sign new Fairtrade contracts, until you have completed the corrective measures.

Consultation responses:

Strongly agree: 6 Partially agree: 2

Disaaree: 0

Not relevant to me / I don't know: 2

**Fairtrade Finland's conclusion:** Based on the consultation responses, the second item was clarified and streamlined.

# 1.1.7 Decertification

#### Applies to: All actors

You do not make any Fairtrade transaction with a decertified trader, or if you are decertified, even if you have signed contracts. However, you accept Fairtrade products that were traded before the date of decertification.

# Consultation responses:

Strongly agree: 6 Partially agree: 2 Disagree: 0 Not relevant to me / I don't know: 4



**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

#### 1.1.8 Fairtrade officer

Applies to: All actors

You designate one official contact for Fairtrade-related matters.

Consultation responses:

Strongly agree: 8 Partially agree: 2 Disagree: 0 Not relevant to me / I don't know: 2 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands.

#### 1.1.9 Awareness raising

Applies to: All actors

You train your management and the staff working on berry picking related matters in this Standard, to ensure that they have the capacity to fulfil its requirements.

#### **Consultation responses:**

Strongly agree: 11 Partially agree: 1 Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Consultation responses emphasized the importance of clearly defining and effectively implementing training for berry pickers, highlighting Fairtrade Finland's role in ensuring this requirement is met. Based on the consultation responses, the original requirement was accepted as it stands. More details on awareness raising for berry pickers can be found in requirements 5.1 and 5.2.

#### 1.2 Use of the Fairtrade trademark

Intent: To ensure that the Fairtrade Mark, claims, and reference to Fairtrade are used appropriately.

#### 1.2.1 Contract for using the Fairtrade Mark

Applies to: All actors using a Fairtrade Mark or making a reference to Fairtrade

For the use of any Fairtrade Mark or other reference to Fairtrade on a finished or unfinished product, on any packaging or other communications, you agree a contract in writing with Fairtrade Finland. When you sell Fairtrade products to consumers, you include the Fairtrade Mark in the packaging and follow the "Trademark Use Guidelines" which will be delivered separately.

**Consultation responses:** 

Strongly agree: 10

Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 2

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

#### 1.2.2 Artwork approval

**Applies to**: All actors using a Fairtrade Mark or making a reference to Fairtrade You ensure that all artwork with a Fairtrade Mark, on product packaging or other communications, complies with the applicable "Trademark Use Guidelines" and is approved in writing prior to use by Fairtrade Finland.



# **Guidance**: Artwork can be product packaging, promotional materials, or any print and electronic media.

Consultation responses:

Strongly agree: 8

Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 4

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

# 1.2.3 Verification of claims

#### Applies to: All actors

You ensure that all claims made on Fairtrade berries comply with the communication guidelines agreed with Fairtrade Finland.

**Guidance**: To maintain consumer trust, it is important that all claims can be substantiated. For example, we do not claim that Fairtrade certification guarantees that all human rights are respected. Rather, Fairtrade certification mitigates human rights risks and adverse impacts and, when violations are identified, it ensures that remediation measures are taken.

**Consultation responses:** 

Strongly agree: 9 Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 3

**Fairtrade Finland's conclusion:** Based on the consultation responses, this requirement was broadly accepted. However, the Rationale was moved to Guidance for clarity.



# 2. Trade

Intent: To provide clarity and improvements to pickers, while being credible to consumers.

# 2.1 Traceability

Intent: To ensure that for each sale of a Fairtrade product, an equivalent volume has been collected from employees under Fairtrade conditions, and that Fairtrade products sold as physically traceable can be traced back to employees.

### 2.1.1 Identification and record-keeping on Fairtrade products

### Applies to: All actors

You clearly identify Fairtrade products as Fairtrade in all sourcing, purchase, processing, warehouse, transport and sales documentation (e.g. invoices, delivery notes and purchase orders). You keep records that allow auditors and Fairtrade Finland to trace back from any given Fairtrade output to the picker accommodation from which the berries were sourced.

Consultation responses:

Strongly agree: 11

Partially agree: 0 Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

# 2.1.2 Record-keeping on pickers and purchases DELETED

### Applies to: All berry companies

**records** of all the pickers engaged in Fairtrade berry-picking. You keep also purchase records that indicate the name/number of the picker, date of purchase, product name, volume and the price received by the picker. You **check** that the volumes you purchase from a berry picker group match the volumes that individual berry pickers in the group have picked.

**Rationale**: This requirement is designed to reduce the risk that berries picked by non-certified berry pickers are included among the Fairtrade certified berries.

**Consultation responses:** 

Strongly agree: 11 Partially agree: 0 Disaaree: 1

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Consultation feedback initially supported the record-keeping requirement for berry companies. However, after establishing that the Standard mandates an employment relationship between the picker and the berry company, the record-keeping requirement was deemed duplicate and subsequently removed.

# 2.1.3 Physical segregation of Fairtrade products

Applies to: Berry companies, processors

You physically segregate Fairtrade products from non-Fairtrade products at all stages (e.g. transport, storage, processing, packaging) of the supply chain.

# Consultation responses:

Strongly agree: 9 Partially agree: 2 Disagree: 1 Not relevant to me / I don't know: 0 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands.



#### 2.1.4 Mass balance: equivalent amounts of inputs and outputs

Applies to: Processors applying mass balance

You ensure that the volume of outputs sold as Fairtrade do not exceed the volume of inputs sourced as Fairtrade, taking into account the processing yields and all losses.

You ensure that Fairtrade inputs are purchased before the sale of Fairtrade outputs.

**Guidance**: Mass balance is allowed until the end of 2025. After that, full traceability is required.

**Rationale**: This requirement is designed to ensure that the Fairtrade label accurately reflects the sourcing and production practices, maintaining transparency and consumer trust and promoting fairness throughout the supply chain.

**Consultation responses:** 

Strongly agree: 10 Partially agree: 1 Disagree: 1 Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

# 2.2 Product composition

Intent: To ensure credibility to consumers and benefit to Fairtrade rights holders. This is to be achieved by ensuring that Fairtrade products have as much Fairtrade content as possible, and that this content is accurately reflected in Fairtrade claims on and off-pack.

### 2.2.1 All that can be must be -rule

Applies to: Processors handling food composite products

You ensure that food composite ingredients and food composite products contain as many Fairtrade ingredients as available.

**Guidance**: This applies to ingredients made of several components, e.g. berry jam, and derivatives that are derived from a single component, e.g. soya lecithin. The regularly updated Unavailable Fairtrade Ingredients List is available on the <u>Fairtrade International website</u>. In exceptional circumstances, Fairtrade Finland may accept the use of the Fairtrade Sourced Ingredient (FSI) model.

**Consultation responses:** 

Strongly agree: 5 Partially agree: 1 Disagree: 1 Not relevant to me / I don't know: 4

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

# 2.2.2 Fairtrade content declaration

Applies to: Processors handling food composite products

You declare the percentage of Fairtrade content on the back of the pack based on the Fairtrade minimum text requirements when using the Fairtrade Mark or alternatively in the ingredients list. The minimum text requirements will be delivered separately.

#### Consultation responses:

Strongly agree: 9 Partially agree: 0 Disagree: 0 Not relevant to me / I don't know: 2 Fairtrade Finland's conclusion: Based on the consultation responses, the requirement was clarified.



# 3. Due diligence

Intent: To ensure alignment with international norms on Business and Human Rights.

### 3.1 Compliance with national legislation

#### Applies to: All actors

There are no indications that you or your contractor(s) violate any legislation on the topics covered by this Standard. For berry companies, this relates both to the legislation of Finland and the legislation of the berry pickers' home countries.

**Consultation responses:** 

Strongly agree: 10

Partially agree: 0

Disagree: 1

Not relevant to me / I don't know: 2

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

### 3.2 Updated records of all employees and contractors

Applies to: Berry companies

You comply and take responsibility for ensuring that your contractors comply with this Standard.

You maintain updated records of all the employees and contractors involved with Fairtrade wild berries. The records include the names/number of the employees, contractors, and service providers in one picker accommodation.

#### **Consultation responses:**

Strongly agree: 12

Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, requirements 1.1.3, 3.2, and 4.5 streamlined to avoid overlapping requirements. This requirement was renamed and moved under the chapter on employment.

#### 3.3 Commitment to human rights and environmental sustainability

Applies to: All actors

You have committed, in writing, to respect human rights and environmental sustainability, conduct due diligence and provide for or cooperate in the remediation of human rights and environmental harms your company has caused or contributed to.

**Guidance**: This commitment needs to refer to internationally recognised human rights, including labour rights and environmental rights, enshrined in the International Bill of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, and the UN declaration on environmental rights.

**Rationale**: The written commitment provides clarity to your business partners and other stakeholders on the goals of your company.

**Consultation responses:** 

Strongly agree: 10 Partially agree: 2

Disaaree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, references to remediation were added.

3.4 Human rights-based grievance mechanism



Applies to: All actors

You participate in a grievance mechanism which allows the berry pickers and all other individuals and groups to anonymously raise complaints of injustice, harm or fraud linked to your operations. The grievance mechanism:

• Is accessible in Finnish and the main language(s) understood by the berry pickers and supports both written and verbal complaints.

• Respects the complainants' anonymity and protects them from retaliation, threats, or harm.

• Ensures that resolutions are taken by a knowledgeable and impartial committee and

remediation is implemented in a timely manner.

• Ensures that all parties are informed about the progress while respecting confidentiality.

• Allows for an appeals process.

• Ensures the confidential handling of sensitive grievances.

• Accords with internationally recognised human rights and national laws and, when relevant, reports human rights violations to the relevant public agencies.

Your grievance mechanism must be approved by Fairtrade Finland.

**Rationale**: Fairtrade Finland is currently in negotiations with the key stakeholders about setting up a sectoral grievance mechanism that the berry companies could commit to and support.

Human rights-based grievance mechanisms can be crucial in advancing human rights in business by providing platforms to anonymously report injustices, harm or fraud linked to company operations. These mechanisms can foster transparency, accountability and trust within the supply chain.

**Consultation responses:** 

Strongly agree: 9 Partially agree: 2 Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, demand to conduct surveys was added to the requirement.

#### 3.5 Promoting the grievance mechanism

Applies to: All actors

You inform all your stakeholders about the grievance mechanism. Berry companies post information about the grievance mechanism on the wall in each picker accommodation room, as well as on the wall of each restroom, in languages that the employees understand. You train the employees on the grievance mechanism and other advisory and legal protection agencies (the Industrial Union, the Victim Support Finland, and the Regional State Administrative Agency).

You and your contractor(s) do not discipline, dismiss, or discriminate in any way against stakeholders who use the grievance procedure.

You or your contractor(s) conduct surveys or other assessments on employees' awareness of human rights, along with their access to and understanding of the grievance mechanism.

**Consultation responses:** 

Strongly agree: 10 Partially agree: 2 Disagree: 0 Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the requirement was

redefined with specific reference to the accommodation aspect.

# 3.6 Analysing the grievances

Applies to: All actors



You analyse grievance cases relating to this Standard and engage in dialogue with the key stakeholders, including trade unions, to improve your operations and the mechanism to prevent future harms.

You publish information online about the type and number of grievances received and resolved. You ensure that Fairtrade Finland is aware of the type and number of complaints as well as the type of complainants and remediation measures.

**Consultation responses:** 

Strongly agree: 7 Partially agree: 4

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the requirement was refined and amended to be more targeted and clearer.

### 3.7 Remediation

Applies to: All actors

If you learn about a suspected human rights violation related to your wild berry value chain, via the grievance mechanism or otherwise, you investigate or cooperate in the investigation of the violation. Where your operations have caused or contributed to the violation, you make a remediation plan and participate in remediating the violation.

If there are indications that you have previously caused or contributed to human rights violations, you provide evidence that you have or are participating in their remediation.

**Guidance**: Full remediation entails:

• Ending the violation.

• Ensuring the prolonged safety of the affected person(s).

• Restoring or rehabilitating the person(s) or environment to the situation prior to the violation.

• Enabling financial or non-financial compensation or other remediation that corresponds to the significance and scale of the violation.

• Preventing further cases.

If the harm is in your supply chain, you can typically collaborate in the remediation by providing financial support to your supplier's remediation work. When determining the remedy, the affected person(s) and their representatives need to be consulted, unless this puts their safety or security in jeopardy.

**Consultation responses:** 

Strongly agree: 12

Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, this amended to ensure proper remediation.

#### 3.8 Conflict management

Applies to: Berry companies

If there are indications of conflicts among your employees and/or between your employees and other stakeholders, you seek to resolve them through negotiation.

**Rationale**: For example, in the past, tensions have arisen between berry pickers and residents, for example on the issue of littering or disturbing the domestic privacy. In these situations, berry companies can facilitate the flow of information and/or discussions between the employees and the residents.

**Consultation responses:** 

Strongly agree: 11 Partially agree: 1

Disagree: 0



#### Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was amended to include conflicts within berry companies' own employees. This requirement was moved under the chapter on Salary and working conditions.

#### 3.9 No discrimination

#### Applies to: All actors

There are no indications of discrimination, support, or toleration of discrimination based on race, gender, sexual orientation, disability, age, religion, social origin or any other condition in recruitment, remuneration, allocation of work, service provision, termination of employment or any other treatment in operations covered by this Standard.

You post the information regarding non-discrimination on the wall of each picker accommodation, in languages that the employees understand.

**Guidance**: Employees cannot be placed in unequal positions based on factors such as friendship or family relationships.

**Consultation responses:** 

Strongly agree: 11

Partially agree: 0 Disaaree: 0

Not relevant to me / I don't know: 1

**Fairtrade Finland's conclusion:** Based on the consultation responses, the requirement was refined to be more targeted and clearer.

#### 3.10 No abuse of any kind

#### Applies to: All actors

There are no indications of you directly or indirectly engaging in, supporting, or tolerating bullying; harassment; sexually intimidating or abusive gestures, language, or physical contact; mental or physical coercion, or abuse of any kind in operations covered by this Standard.

**Consultation responses:** 

Strongly agree: 12 Partially agree: 0 Disagree: 0 Not relevant to me / I don't know: 0 Fairtrade Finland's conclusion: Based on the consultation responses, the requirement was refined to be more targeted and clearer.

#### 3.11 Policy on disciplinary measures

Applies to: Berry companies

The disciplinary measures taken by your supervisors are in line with Finnish labour law and are non-discriminatory. Deductions from earnings are not made for disciplinary purposes. If disciplinary measures lead to the termination of an employment contract, requirement 4.10 on the Right of early return applies.

**Guidance**: The acceptable disciplinary measures are issuing a verbal reprimand, issuing a written warning and after at least one warning, terminating the employment contract. Contractors cannot issue disciplinary measures.

Upon request, supervisors need to report disciplinary measures used to auditors.

**Rationale**: Pickers, supervisors, and contractors may have different experiences and expectations of the appropriate and proportionate disciplinary measures commonly used at a workplace, so it is helpful to clarify the Finnish legal standards. In a worst-case scenario, the fear of strict disciplinary measures towards the employee or their relatives may create a risk of forced labour.

**Consultation responses:** 

Strongly agree: 10



Partially agree: 0 Disagree: 0 Not relevant to me / I don't know: 1 Fairtrade Finland's conclusion: Based on the consultation responses, only grammatical corrections were made to this requirement. This requirement was also moved under the chapter on Salary and working conditions.



# 4. Recruitment

Intent: To ensure fair recruitment; to establish formal employment relationships for the berry pickers; and to provide clear written contracts.

# 4.1 Employment

Applies to: Berry companies

You employ your berry pickers directly. You pay the pickers and other staff in accordance with the relevant Collective Bargaining Agreements (CBA) and through digital means.

**Consultation responses:** Strongly agree: 6

Partially agree: 2 Disaaree: 1

Not relevant to me / I don't know: 2

Fairtrade Finland's conclusion: The consultation responses underscored the need for reform and clarity in the recruitment and employment practices of the berry picking industry. There was a strong call for clearer employment standards and direct employment relationships, governed by the Collective Bargaining Agreement to better protect picker rights, as opposed to the current model where pickers are treated as independent actors without adequate labour law protections. The responses also highlighted the ongoing need to develop sector-specific regulations within collective bargaining frameworks to address unique industry challenges, emphasizing that merely changing employment status without a robust legal framework may not adequately address broader labour issues. Additionally, there was a concern about the clarity of contractor roles and the auditability of indirect employment relationships. There was also a demand for ensuring compliance with internationally recognized human rights standards, and specifying responsibilities in contractual and legal frameworks to prevent disparities in treatment between employed and non-employed pickers. One proposal also emphasized the need for direct recruitment via streamlined 'State-to-State' Memorandums of Understanding (MOUs) that eliminate intermediaries, ensuring that companies cover all associated costs and provide proper employment contracts. On the other hand, some respondents demanded that employment requirements be established only when mandated by law.

Based on the consultation responses, Fairtrade Finland has decided to mandate that Fairtrade wild berry picking occur exclusively within the framework of an employment relationship between the berry company and the picker, despite the lack of full consensus among stakeholders on this issue.

Fairtrade Finland sees employment relationship as the best way to improve protection of berry pickers and to establish decent working conditions. Formal employment can bring clarity to the industry through well-defined contracts, employer and employee duties and responsibilities, as well as Collective Bargaining Agreements (CBAs).

Furthermore, it is not in the authority of berry companies to decide, whether a berry picker is an employee or not, but the nature of working relationship is assessed by authorities based on International Labour Organization (ILO) definitions and guidelines.

In the spring of 2024 Ministry for Foreign Affairs advocated for establishing employment relationships for berry pickers in Finland, following observations of employment contracts during the 2023 picking season. This stance has encouraged other authorities to ensure the upcoming berry picking season operates under formal employment conditions. Ministry of Economic Affairs and Employment announced it will start a process for amending the The Seasonal Workers Act, aiming to include wild berry picking in the Act in 2025. For Fairtrade Finland, facilitating this significant shift in the wild berry sector is crucial.



### 4.2 Recruitment criteria

Applies to: Berry companies

You establish non-discriminatory recruitment criteria, to be used by you and your recruiters, to ensure that the recruited employees are well suited for physical berry picking work.

**Rationale**: For example, working in the forest under changing weather conditions can be too demanding for some individuals.

**Consultation responses:** 

Strongly agree: 7 Partially agree: 3 Disagree: 0 Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands, with the recruiting company responsible for deciding the non-discriminative recruitment criteria.

### 4.3 Written contracts with employees

Applies to: Berry companies

You sign written employment contracts with your berry pickers and other staff in accordance with this Standard and the Collective Bargaining Agreements (CBA) of the industry. The contracts include start and end dates and are in languages that the employee understands. You ensure that there is only one contract and that it includes all the information necessary for the employee.

**Guidance**: Employees need to receive their own copy of the contract. Double or more contracts with employees are forbidden.

**Rationale**: A written contract makes it easier for the pickers to seek support and access to remedy in cases where the contract is unclear or is not followed. It is important to avoid multiple contracts in order to avoid misinforming the employee.

Previously, contractors have signed employment contracts with the berry pickers in the country of origin but treated them as self-employed tourist pickers after arriving in Finland. For example Thailand, since 2021, has required berry companies or contractors to sign employment contracts. These contracts also apply in Finland.

**Consultation responses:** 

Strongly agree: 8 Partially agree: 2

Disaaree: 0

Not relevant to me / I don't know: 1

**Fairtrade Finland's conclusion:** Based on the consultation responses, a reference to Collective Bargaining Agreements (CBA) was added and the Rationale was clarified.

#### 4.4 Assigning supervisors

Applies to: Berry companies

You assign the responsibility for supervision of berry pickers and other staff to your member(s) of staff. You are accountable for the conduct of these supervisors and their compliance with this Standard.

Supervisors must not collect additional payments from potential or chosen employees.

**Consultation responses:** 

Strongly agree: 11 Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, this requirement was broadly accepted. However, due to employment considerations, it has been streamlined to cover only supervisors.



### 4.5 Other written contracts

Applies to: Berry companies

You are responsible for paying the contractors, and they must not collect additional payments from potential or chosen employees.

If a contractor commits serious and/or repeated violations of this Standard, you terminate the contract within two weeks.

**Guidance**: Contractors are required, inter alia, to accept audits and provide information requested by Fairtrade Finland or auditors (1.1.2), to avoid violations of this Standard. A violation is considered serious if it clearly breaches this Standard and is not due to interpretation issues, accidents, or similar reasons. Repeatedly means that the same violation occurs more than twice or there are more than three violations in total.

If a contractor's contract is terminated, any resulting changes should be made with careful consideration of the employee's human rights. A serious violation, if not corrected swiftly, could result in decertification of your company.

**Rationale**: This requirement is designed to ensure that contractors are well informed about their role and responsibilities, and of the consequences for serious violations.

This pilot seeks to mitigate the human rights risks in the natural berry supply chains in Finland, including the individuals in charge of providing services like the cooking and scaling of berries. For the realisation of this Standard, it is also important that these individuals avoid discriminatory or other inappropriate conduct.

**Consultation responses:** 

Strongly agree: 11 Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, requirements 1.1.3, 3.2, and 4.5 streamlined to avoid overlapping requirements. The title of this requirement was altered accordingly.

# 4.6 Informing local authorities/other bodies DELETED

#### Applies to: All berry companies

You inform local authorities/other about the following:

- The location of the pickers' accommodation.
- What income you or your contractor have promised to pay the pickers, with deductions for nutrition and accommodation.
- That neither you nor your contractor will collect recruitment or travel costs from the berry picker.

**Rationale**: This requirement advances fair recruitment, transparency and accountability in the berry sector.

**Consultation responses:** 

Strongly agree: 10

Partially agree: 2

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, this requirement was broadly accepted. Nonetheless, it was ultimately removed since the employment relationship ensures that responsible authorities will receive all necessary information.

#### 4.7 Recruitment and travel costs

Applies to: Berry companies



You pay the full recruitment costs, including the berry pickers' travel costs between their homes and picker accommodation. This applies to every employee participating in picking berries certified by Fairtrade Finland.

Berry companies negotiate with processors, brand owners and/or retailers about how the costs of fair recruitment are divided. Berry companies inform processors, brand owners and/or retailers and Fairtrade Finland about the level, breakdown and agreed division of the recruitment costs. Fairtrade Finland may publish aggregated information about the costs and cost sharing.

**Guidance**: By covering the recruitment costs, berry companies mitigate the risk of pickers becoming indebted during the recruitment process and being trapped in forced labour until these debts are repaid.

Recruitment costs encompass visa expenses, insurance, health checks, and other mandatory expenses. International travel costs are either paid directly to the transport companies or to a contractor. No recruitment or travel costs shall be collected from employees.

For further details, please see the ILO fair recruitment initiative on <u>General principles and</u> <u>operational guidelines for fair recruitment and definition of recruitment fees and related</u> costs.

**Rationale**: Decent work starts with responsible recruitment. International evidence demonstrates that implementing 'no fee' recruitment models drastically reduce vulnerabilities for migrant workers. Responsible recruitment can be expected to increase employee wellbeing, motivation, and performance at work. Shouldering the financial responsibilities of recruitment should incentivize berry companies towards a more sensitive and better-quality recruitment which aims at recruiting individuals who are fit for the demanding nature of berry picking, thereby enhancing productivity and quality.

#### **Consultation responses:**

Strongly agree: 7 Partially agree: 3

Disagree: 2

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** This requirement for berry companies elicited both strong support as well as significant concerns from respondents. The majority emphasized the importance of the Employer Pays Principle (EPP) and transparency in detailing and sharing these costs among berry companies, processors, and retailers, aiming to prevent exploitative practices like shifting recruitment expenses onto pickers. However, concerns were also voiced about the potential financial strain this policy could impose on berry companies, especially smaller ones. These respondents expressed worries that increased operational costs might diminish competitiveness, possibly leading to fewer employment opportunities for pickers in Finland or a rise in berry imports. To mitigate these financial challenges, some respondents proposed a phased implementation of travel expense coverage or the establishment of minimum income guarantees for pickers, which could alleviate the initial financial burden while continuing to uphold picker rights and promote a fair, sustainable industry.

Based on the consultation responses, the requirement was refined to be more targeted and the guidance was amended. Fairtrade Finland reiterates the necessity of responsible recruitment, aligning with issues previously discussed in the Rationale. Parts of Rationale were moved to Guidance for clarity.

# 4.8 Compensation for fair recruitment

Applies to: Processors and retailers

Processors and brand owners negotiate with the berry companies about the compensation of fair recruitment, based on detailed information that berry companies share about their picker recruitment costs.



**Guidance**: Because the berry picking season is short, recruitment costs can form a large share of the picking costs. When the cost of fair recruitment is visible to all actors in the value chain, it can be shared fairly.

The <u>Employer Pays Principle</u> is included e.g. in the <u>Dhaka Principles for Migration with Dignity</u>, the Amfori BSCI code, Fairtrade Standards and many companies' supplier codes of conduct.

**Rationale**: The vulnerability of the berry pickers can only be reduced by starting with responsible recruitment. The entire value chain needs to be aware of the costs of fair recruitment and participate in ensuring that none of these costs are charged from the berry picker.

Consultation responses:

Strongly agree: 8 Partially agree: 3 Disagree: 0 Not relevant to me / I don't know: 0 Fairtrade Finland's conclusion: Based on the consultation responses, this requirement was broadly accepted. However, parts of Rationale were moved to Guidance for clarity.

#### 4.9 Loans and debts

#### Applies to: Berry companies

You or your contractors do not provide or guarantee loans for the berry pickers. You may directly pay your employees an interest-free advance on a case-by-case basis consideration. **Rationale**: By prohibiting the provision of loans, companies prevent the risk of debt bondage and exploitation, safeguarding the rights and dignity of the berry pickers. This criterion promotes fairness, equity, and respect for human rights within the berry industry, contributing to a more ethical and sustainable supply chain that prioritizes the well-being of employees. An interest-free salary advance should not lead to a debt relationship and must be individually negotiated rather than automatically applied to all berry pickers. The aim is to prevent employees from needing to resort to high-interest loans from local sources. The advance payment is primarily intended to maintain adequate income levels for the relatives of employees who remain in the country of origin while the employees are in Finland.

**Consultation responses:** 

Strongly agree: 8

Partially agree: 2 Disagree: 1

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** The consultation responses emphasized that some form of advance payment should be allowable.

Based on the consultation responses, the requirement was changed to allow advance payments. Consequently, the Rationale was also amended.

# 4.10 Right of early return

#### Applies to: Berry companies

You ensure that the berry picker has the freedom to return to their country of origin. If the early return is due to the employee's sickness or a serious misfortune in their close family, you cover the possible additional expenses from changing the date of return mid-season. If the employee must stop working for some other reason, you negotiate with the employee a fair solution for covering the possible additional expenses of early return.

Guidance: This is a core step in eliminating the risks of human trafficking and forced labour.

**Rationale**: By guaranteeing this right, companies ensure that employees are free to leave the work if needed. As the berry company covers the recruitment and travel costs, it has the incentive to train the employee and ensure decent working conditions so that the person is willing and able to work for the duration of the employment contract.



#### Consultation responses: Strongly agree: 9 Partially agree: 0 Disagree: 1 Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** The consultation responses highlighted critical needs for clear policies on the rights of berry pickers regarding early returns. There was a strong call for allowing pickers to return home under any circumstances to address the potential misuse of return ticket control by berry companies or their contractor as a form of coercion. Additionally, the challenges faced by pickers with terminated contracts during probation, such as difficulties in returning home and sustaining themselves due to delayed or unavailable return tickets, underscored the necessity for supportive policies and mechanisms to ensure fair treatment and protection of berry pickers' rights in the industry. On the other hand, some respondents called for clear criteria for early return, such as a medical statement or a determination of incapacity for work.

Based on the consultation responses, the original requirement was accepted as it stands. Fairtrade Finland considers the original text to be balanced compromise between the consultations responses. However, parts of Rationale were moved to Guidance for clarity.



# 5. Awareness raising

Intent: To ensure that employees receive proper training and understand their rights; and to facilitate clear communication of the berry companies' responsibilities.

### 5.1 Employee awareness

Applies to: Berry companies

You seek to ensure that every berry picker is aware of their rights, responsibilities, and the range of their likely profits before they commit to travel to Finland. To this end, you share at least the following information in writing with potential or chosen employees, in languages they understand, before signing contracts:

• Their legal status as an employee.

• The (base) salary and possible additional piece rate paid to the employees in accordance with the Collective Bargaining Agreement (CBA). Salaries may slightly fluctuate due to harvest uncertainty and/or berry companies' piece rates.

• Salaries are paid through digital means, requiring each employee to have a bank account (4.1).

• Berry companies cover both recruitment and travel costs of employees under this Standard (4.7).

• Possible deductions on nutrition, accommodation and advances paid (6.5) and the estimated total sum of their earnings.

• The right to free occupational healthcare services (6.7).

• Trade union rights and choosing the employees' representative (7.1-7.7).

• The grievance mechanism (3.4), where the employee can report any misleading information found in the contract or accompanying materials and any other wrongdoing, as well as other advisory and legal protection agencies (the Industrial Union, the Victim Support Finland, and the Regional State Administrative Agency).

• Practical information: for example, that the picking tools and protective/rainproof/warm clothing are provided by the berry company (6.4), the type of meals and accommodation that will be provided (8.1, 8.2, 8.4), typical weather during picking season in Finland etc.

**Guidance**: The prevention of false promises and deceptive recruitment practices is crucial to eliminate the risk of human trafficking and forced labour. You require your contractors to share with you and auditors all the written materials provided to the potential or chosen employee.

**Rationale**: By providing comprehensive and correct written information in the country of origin, companies empower the pickers to make informed decisions.

**Consultation responses:** 

Strongly agree: 9

Partially agree: 2

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, references to digital payments and to typical weather were added. The order was also changed to improve readability. Some grammatical corrections were also made to this requirement.

5.2 Training employees

Applies to: Berry companies



You train the employees on their rights and responsibilities, and the range of their likely profits, within a week of their arrival to Finland. You also train the employees on: • How to navigate forests, efficient and ergonomic berry picking, and safety precautions regarding wild animals, poisonous plants, and mushrooms.

• The grievance mechanism (3.4), where the employee can report any misleading information found in the contract or accompanying materials and any other wrongdoing, as well as other advisory and legal protection agencies (the Industrial Union, the Victim Support Finland, and the Regional State Administrative Agency).

• Berry company's, supervisor's and possible contractors' roles and duties (5.5, 5.6).

• The right to basic first aid and free occupational healthcare services (6.6, 6.7), accessing services and grocery stores.

• Trade union rights and choosing the pickers' representative (7.1-7.7).

• Everyone's rights and related duties including avoiding littering in nature and respecting domestic privacy (see also 8.3).

**Guidance**: You share the same information in writing in languages the employees understand. Records are kept of these training activities including information on the topics covered, time, duration, and the names of the attendees and trainers.

New pickers are among the most vulnerable individuals due to their lack of experience and varied expectations. You pay special attention to ensuring these employees have every opportunity to have their rights met and to maximize their picking potential.

You compensate the employees for the time spent on training. No training costs can be collected from berry pickers, in their country of origin or in Finland.

**Rationale**: By providing comprehensive training, companies empower the pickers with the knowledge and skills necessary for efficient and safe berry picking, forest navigation, and for understanding their rights and duties.

**Consultation responses:** 

Strongly agree: 7 Partially agree: 3

Disagree: 1

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the requirement was revised to consider competitive issues, the vulnerability of new pickers, compensation for training as well as health care and other safety. The order was also changed to improve readability. Some grammatical corrections were also made to this requirement.

#### 5.3 Training supervisors and contractors

Applies to: Berry companies

You train your supervisors and possible contractors to follow this Standard. You also train them to follow:

• Labour and human rights.

• Legislation related to labour exploitation (e.g., prohibition of taking payment for employment, what constitutes trafficking or other illegal forms of labour exploitation, etc.)

• The Finnish Labour Law, the relevant Collective Bargaining Agreements (CBA), and the right to organize.

• Everyone's rights.

• Policy on disciplinary measures (3.11).

**Rationale**: Through training, companies ensure that the supervisors and (foreign) contractors are aware of their legal role and responsibilities enabling them to uphold this Standard, protect labour rights, and adhere to ethical working practices.

#### **Consultation responses:**

Strongly agree: 9 Partially agree: 2 Disagree: 0



Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

### 5.4 Records of the employee's salaries and deductions

Applies to: Berry companies

You maintain up-to-date records of each employee's salaries and deductions. Each employee's record is to include the following:

• Name, gender, and age of employees.

• Kilograms collected and the income earned on each day.

• All deductions on nutrition, accommodation, and advances paid (6.5). Deductions are made concurrently with the payment of salaries.

• The current balance, i.e. the earnings of the picker.

Records must be maintained in a timely manner and in accordance with the relevant Collective Bargaining Agreement (CBA), with employees receiving their salaries bi-weekly. Additionally, employees must be provided with a payslip at least once a month. Where an employee agrees on the payslip, you obtain their signature.

Upon request, you share the records with auditors and the Grievance Committee.

**Guidance**: You keep records of the gender and age of employees so that auditors can monitor the realization of equal opportunities for employees of different genders and ages.

**Rationale**: In the past, some pickers have lacked information about their actual balance of incomes and deductions/debts until the very end of the picking season. This requirement is designed to ensure that the employees and berry companies monitor the employees' earnings, and to ensure fair treatment, so that any discrepancies or grievances can be resolved swiftly.

**Consultation responses:** 

Strongly agree: 9

Partially agree: 2

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, references to the CBA were added.

5.5 Communicating the supervisor's and contractor's roles and duties Applies to: Berry companies



You have a written description of the supervisor's role and responsibilities towards the employees. At a minimum, the description should include:

• Contact details of the supervisor.

• Understanding and following this Standard as well as Finnish laws and appropriate disciplinary measures (3.1).

• Educating the employees on their rights in Finland.

• Encouraging the use of the grievance mechanism (3.4), and other advisory and legal protection agencies (the Industrial Union, the Victim Support Finland, and the Regional State Administrative Agency).

• Equal treatment of all employees (3.9).

• Timely sharing of the record of salaries and deductions with each employee (5.4). The supervisor must not charge any additional costs from the pickers.

• Encouraging the exercise of trade union rights (7.2-7.7), including the selection of pickers' representatives, without interference (7.1). Also, ensuring easy access for trade union representatives, the Regional State Administrative Agency, and auditors.

• Monitoring the harvest situation and contributing to picking in such a way that pickers have the opportunity for the highest possible earnings.

If you use contractors, you also clarify their roles and responsibilities.

You post the description on the wall in each picker accommodation, in languages that the employees understand.

**Rationale**: By ensuring transparency and accountability through the posted descriptions in languages understood by the pickers, this requirement promotes fair treatment and safeguards against exploitation.

**Consultation responses:** 

Strongly agree: 8

Partially agree: 3

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, responsibilities of the last item was rephrased to represent the realities of harvest monitoring more accurately. The order was also changed to improve readability.

# 5.6 Communicating the berry company's role and duties

#### Applies to: Berry companies

You have a written description of the role and responsibility of your company and staff. At a minimum, the description should include:

• Following this Standard by Fairtrade Finland and ensuring any contractor's compliance with this Standard and Finnish laws.

• Paying for pickers and other employees' recruitment, travel, and transport costs (4.7, 4.8, 4.9).

• Training employees (5.2), supervisors and contractors (5.3).

• Ensuring that neither the supervisors nor the contractors threaten the employees or their relatives (see also 3.11).

• Record-keeping on employees' salaries and deductions and paying the employees (5.4).

 $\cdot$  Ensuring that employees are covered by occupational healthcare services (6.7).

You post the description on the wall in each picker accommodation, in languages that the pickers understand.

**Rationale**: By ensuring transparency and accountability through posted descriptions in languages understood by the employees, this requirement promotes fair treatment and safeguards against exploitation.

#### **Consultation responses:**

Strongly agree: 8 Partially agree: 3

FAIRTRADE

Disagree: 0 Not relevant to me / I don't know: 0 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands with some improvements to readability.



# 6. Salary and working conditions

Intent: To ensure decent working conditions and adequate income levels; and to prevent work-related accidents by minimizing hazards.

### 6.1 Payment and agreement on the market price DELETED

Applies to: All berry companies

You pay at least the relevant market price to the picker. In case the relevant market price is below the Fairtrade Minimum Price, then the Fairtrade Minimum Price applies (6.2). The relevant market price is the price that prevails on the non-Fairtrade market for equivalent products. You agree with the picker on the source of information for the market price.

**Consultation responses:** 

Strongly agree: 6 Partially agree: 4

Disaaree: 1

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, this Standard requires employment relationship between the picker and the berry company. Thus, the requirement on Fairtrade Minimum Price became irrelevant and was deleted. At the end of the pilot, the necessity of this requirement will be re-evaluated.

### 6.2 Payment of Fairtrade Minimum Price DELETED

**Applies to**: All berry companies or other first buyers

You pay the picker at least the Fairtrade Minimum Price for the Fairtrade product, as defined in the Fairtrade pricing database. The Fairtrade Minimum Price is an absolute minimum. Discounts for quality cannot be made on the minimum price. The Minimum price / Pay range needs to be explained in advance for the (potential) pickers during the recruitment phase. **Rationale**: By guaranteeing the Fairtrade Minimum Price, berry companies provide economic stability and security to the pickers. The prohibition of discounts on the minimum price prevents exploitation and discrimination. Informing pickers of the minimum price or pay range during the recruitment phase allows pickers to make informed decisions.

**Consultation responses:** 

Strongly agree: 5 Partially agree: 4 Disaaree: 0

Disagree: 0

Not relevant to me / I don't know: 1

**Fairtrade Finland's conclusion:** Based on the consultation responses, this Standard requires employment relationship between the picker and the berry company. Thus, the requirement on Fairtrade Minimum Price became irrelevant and was deleted. At the end of the pilot, the necessity of this requirement will be re-evaluated.

#### 6.3 Working time

Applies to: Berry companies

You follow the <u>Collective Bargaining Agreement (CBA)</u> for rural industries with full-time employment contracts.

#### Consultation responses:

Strongly agree: 4 Partially agree: 6 Disagree: 1 Not relevant to me / I don't know: 1 Fairtrade Finland's conclusion: Consultation responses emphasized the importance of either restricting picking times or encouraging pickers to take adequate rest. However, according to the "Berry Act," it is not permissible to restrict the picking time for non-employed berry pickers.



Since this Standard mandates that wild berry picking occurs only under an employment relationship, working time will be regulated by the CBA. Consequently, the original requirement was accepted as it stands.

#### 6.4 Provision of tools

#### Applies to: Berry companies

You provide all the pickers with free of charge sim-cards with a call and data package to be used during working hours; protective, rainproof, and warm clothing and shoes for the colder months; picking tools; and vehicles including the fuel. If the employees need to rent vehicles for other reasons than picking, you organize a reasonably priced way for doing so.

**Guidance**: Sim-cards allow employees to communicate, reach Medical Helplines and other emergency telephone services, and navigate in the forests.

By providing the essential tools and equipment, you uphold the labour rights to a safe and healthy work environment, mitigating the risks of injury or harm.

**Consultation responses:** 

Strongly agree: 9

Partially agree: 1 Disagree: 1

Not relevant to me / I don't know: 1

**Fairtrade Finland's conclusion:** Consultation responses strongly supported the provisions in the Consultation paper, advocating that berry companies should provide all necessary equipment for pickers to perform their duties safely and effectively. This support indicates a consensus that such provisions are standard requirements employers should fulfil.

Based on the consultation responses, reference to rainproof clothing was added. Some grammatical corrections were also and the Rationale was moved to Guidance for clarity.

#### 6.5 Only at-cost deductions

Applies to: Berry companies

If you or a contractor make deductions from the picker's earnings for services provided, the deducted sums are in line with the actual costs incurred and with the information shared during the recruitment (5.1, 5.2). None of the only at-cost deductions can be made without the permission of the picker.

• Deductions can be made for nutrition and accommodation provided for the employees. These need to be reasonably priced. The total sum of the picker's housing and food deductions cannot exceed one quarter of the picker's total gross salary the duration of their employment.

• No deductions are made for other services (such as flights, transport, healthcare, sim-cards, picking tools or warm clothing).

• No interest is collected for salary advances paid during the picking season.

**Rationale**: Limiting deductions protects the pickers from economic exploitation and promotes fair incomes.

Consultation responses:

Strongly agree: 9 Partially agree: 2 Disagree: 1 Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, this requirement was adjusted to avoid repetition.

**6.6 First aid equipment and training Applies to:** Berry companies



You supply each picker accommodation and each car with first aid kits and (DEET free) mosquito repellent. You ensure that in every picker accommodation there is at least one individual who is regularly present and has completed first aid training. This person may be, for example, the chef or the contractor.

The supervisor or contractor keeps a list of accidents, injuries, illnesses, and the subsequent first aid or other medical measures taken. You check the list monthly during the picking season and supplies further equipment or training when needed.

**Consultation responses:** 

Strongly agree: 10

Partially agree: 3

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the type of mosquito repellent accepted and was specified. The term "mid-way" was replaced with "monthly" to clarify this Standard and make it easier to follow.

# 6.7 Access to healthcare

Applies to: Berry companies

You provide occupational healthcare services and make certain that employees are informed of their right to access healthcare, how to avail of it, and that no costs for this healthcare are deducted from their salaries.

You post the Medical Helpline and other emergency telephone numbers on the wall in each picker accommodation, in languages that the employees understand.

**Consultation responses:** 

Strongly agree: 10 Partially agree: 2 Disagree: 0 Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, emphasis was placed on increasing picker awareness and providing clarification regarding the non-acceptance of any deductions from salary for healthcare. Additionally, guidance was deleted due to employment relationship.

# 6.8 Seasonal workers

Applies to: Berry companies

Berry pickers hired as seasonal workers, such as those on strawberry farms, cannot be considered Fairtrade wild berry pickers.

**Guidance**: Seasonal work, as defined by the Seasonal Employees Act, includes agricultural and garden labour, forestry, and employment in the tourism industry. Wild berry picking is not currently recognized as seasonal work. Consequently, it could be seen as circumvention of entry regulations if wild berries are bought from seasonal workers. Wild berry pickers are required to apply for a residence permit as employed persons.

**Consultation responses:** 

Strongly agree: 5 Partially agree: 1 Disagree: 0 Not relevant to me / I don't know: 5 Fairtrade Finland's conclusion: Based on the consultation responses, the rationale was expanded for clarity.

6.9 No retention of IDs

Applies to: Berry companies



You do not retain, and you ensure that your contractor also does not hold any employee's passport, visa, or flight tickets. You ensure that each berry picker has a safe option for storing their valuables, such as travel documents.

**Guidance**: The retention of IDs is considered a common cause of forced labour across numerous industries and countries, as it effectively prevents workers from changing jobs or returning home.

The safe storage option can be for example a small personal lockable locker in picker accommodation.

**Consultation responses:** 

Strongly agree: 10

Partially agree: 2 Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was refined for clarity.

#### 6.10 No child labour

Applies to: Berry companies

You do not engage employees or service providers under the age of 18.

**Consultation responses:** 

Strongly agree: 11 Partially agree: 1

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands. This requirement specifically addresses the use of child labour, not child work.



# **7.** Representation

Intent: To protect labour rights to freedom of association and collective bargaining. Fairtrade Finland considers independent and democratic trade unions as the best means for achieving freedom of association and collective bargaining.

### 7.1 Pickers' representative

Applies to: Berry companies

You ask the pickers to select representatives for discussions about the pickers' working and living conditions. You:

• Respect the right of all pickers to apply for the position of a berry pickers' representative.

• Ensure that in each picker accommodation, there are at least two representatives from different genders, and at least one representative per 50 pickers.

• Ensure that at least one of the representatives is a new employee – in Finland for the first or second time.

• Train the representatives to understand their mandate and independence from the possible contractor.

• Organize the first meeting between your management representative and the pickers' representatives within 14 days after arrival in Finland, and then monthly during the picking season, to gain feedback on all areas of this Standard.

• Organize an additional meeting when the representatives ask for it.

• Engage an independent interpreter chosen by the representatives if they prefer that.

 Inform all pickers about their representatives and posts the representatives' contact information on the wall in each picker accommodation, in languages that the employees

information on the wall in each picker accommodation, in languages that the employees understand.

• Share each pickers' representative's contact information with representatives in other picker accommodations, to facilitate exchange and peer support.

• Pay salary according to the relevant Collective Bargaining Agreements (CBA) for the time pickers' representative use for representative tasks.

If the pickers are organized into a union and have chosen a union representative or a shop steward, this individual becomes the pickers' representative.

**Guidance**: Meeting minutes are taken and the picker's representative is asked to share the minutes with everybody in the same picker accommodation.

Where non-compliances with this Standard are identified, the company takes corrective measures in line with requirement 3.7 on Remediation.

**Rationale**: The right to organize and bargain collectively are central for Fairtrade. This requirement establishes regular, direct communication between the berry company staff and the pickers, which allows companies to address any problems at an early stage and to monitor the performance of the supervisors and/or contractors.

#### **Consultation responses:**

Strongly agree: 6

Partially agree: 3

Disagree: 1

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Consultation responses highlighted the challenges berry pickers face in understanding and engaging with the Finnish workers' representative system due to their diverse backgrounds and the short duration of their stay. Concerns were raised about creating an overly bureaucratic system that could complicate rather than aid the process, with suggestions to organize essential meetings and provide translations within the first two weeks of arrival, while considering the experience level of the pickers for effective representation.

Based on the consultation responses, the timing for the initial meeting was extended.



Additionally, references were made to both a union representative and a union steward to prevent overlapping systems of representation.

#### 7.2 No discrimination of union representatives

Applies to: Berry companies

You or your contractor do not punish, threaten, intimidate, harass, discriminate, or bribe union members or pickers' representatives. You do not discriminate against employees for their past or present activities in representing employees.

**Guidance**: Examples of punishment include terminating, transferring, relocating, downgrading, or demoting employees, reducing their salaries or benefits, or changing their conditions of work. Further, employers do not offer employees incentives to refrain from joining a union or engaging in union activities.

**Rationale**: This requirement fosters a fair and supportive environment for collective bargaining and freedom of association within the berry industry.

#### **Consultation responses:**

Strongly agree: 10 Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

### 7.3 Guaranteeing employees' labour rights

Applies to: Berry companies

You or your contractor:

• Respect the right of all employees to form or join trade unions.

• Respect the right of employees to bargain collectively in practice.

- Do not engage in any acts of anti-union discrimination or in any acts of interference.
- Do not deny access rights for trade unions.
- Accept that it has a duty to bargain in good faith with unions.
- Inform the workforce about the local point of contact and posts relevant contact information on the wall in each picker accommodation, in languages that the employees understand.

**Guidance**: The right to form and join trade unions is a human right, recognised in the International Covenant on Economic, Social and Cultural Rights. The Industrial Union of Finland can support pickers in understanding their rights and joining a trade union.

#### **Consultation responses:**

Strongly agree: 9 Partially agree: 1

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, the original requirement was accepted as it stands.

#### 7.4 Allowing trade union representatives to meet with employees

Applies to: Berry companies

You and your contractor allow the representatives of trade union organizations to meet with berry pickers to communicate and educate about unionisation and/or to carry out their representative functions. You or your contractors do not interfere or conduct any surveillance of these meetings.

**Rationale**: Trade unions raise employee awareness about labour rights and responsibilities in Finland and share information about the services and support available for pickers. **Consultation responses:** 



Strongly agree: 9 Partially agree: 1 Disagree: 0 Not relevant to me / I don't know: 0 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands. 7.5 Freedom of Association policy Applies to: Berry companies You and your contractor actively promote labour rights by signing the Freedom of Association policy provided by Fairtrade Finland. You communicate the Freedom of Association policy to employees by at least: • Translating it into the appropriate languages. • Ensuring that it is displayed on the wall in each picker accommodation, in languages that the employees understand. Rationale: The policy explains the freedom of association to the pickers, contractors, and berry companies. By prominently displaying the policy in the picker accommodation, companies ensure that employees are informed about their freedom of association. **Consultation responses:** Strongly agree: 9 Partially agree: 1 Disagree: 0 Not relevant to me / I don't know: 1 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands. However, requirements 7.5 and 7.6 were merged for clarity. 7.6 Communicating Freedom of Association rights to employees MERGED TO 7.5 Applies to: Berry companies You or your contractor communicate the Freedom of Association policy to employees by at least: • Translating it into the appropriate languages. • Ensuring that it is displayed on the wall in each picker accommodation, in languages that the employees understand. Rationale: The policy explains the freedom of association to the pickers, contractors and berry companies. By prominently displaying the policy in the picker accommodation, companies ensure that employees are informed about their freedom of association. **Consultation responses:** Strongly agree: 9 Partially agree: 2 Disagree: 0 Not relevant to me / I don't know: 1 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands. However, requirements 7.5 and 7.6 were merged for clarity. 7.7 Sectoral Collective Bargaining Agreement Applies to: Berry companies In Finland, the Collective Bargaining Agreement (CBA) for rural industries is agreed for the wild berry picking. Your company adheres to this agreement. Collective bargaining at the company level may take place. However, company level agreements cannot provide lesser terms and conditions than the CBA for rural industries. **Consultation responses:** Strongly agree: 7 Partially agree: 1



Disagree: 0 Not relevant to me / I don't know: 1 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands.



# 8. Housing and nutrition

Intent: To ensure safe and well-located accommodation; appropriate waste disposal; and quality nutrition of the employees.

# 8.1 Accommodation

Applies to: Berry companies

You or your contractor provide accommodation for the berry pickers. The accommodation is structurally safe and offers reasonable levels of living space; privacy; temperature; protection from rain, wind, and pests; protection from health hazards; clean drinking water; drainage; sanitation; washing facilities; lighting; energy for cooking; and means of food storage.

Pickers are allowed to choose their own accommodation.

**Guidance**: For further details, please see the <u>ILO Helpdesk Factsheet</u> No. 6, 2009 on workers' housing, and <u>UN Committee on ESC Rights</u> General Comment No. 4: The Right to Adequate Housing. Accommodation needs to align with the <u>Health Protection Act 1994/763</u>.

A reasonable level of privacy entails that different genders can wash and sleep separately. **Rationale**: In the past, there have been several cases where the picker accommodation has

been of insufficient standard and/or overpriced.

**Consultation responses:** 

Strongly agree: 8

Partially agree: 3

Disagree: 0

Not relevant to me / I don't know: 2

**Fairtrade Finland's conclusion:** Based on the consultation responses, this requirement was streamlined to eliminate repetition and contradictions with requirement 6.5, which mandates only at-cost deductions. Requirements were added to ensure that pickers have sufficient privacy for washing and sleeping alone and are allowed to choose their own accommodation.

# 8.2 Location of accommodation

Applies to: Berry companies

Your company ensures that the transport from accommodation to picking site only exceeds one hour in exceptional circumstances.

**Guidance**: Accommodation locations and berry camps need to be planned in advance to ensure reasonable commutes with minimal need to change accommodation during the season.

**Rationale**: In the past, insufficient daily rest for pickers has been among a common problem in the berry industry. Long commutes can aggravate this problem.

#### **Consultation responses:**

Strongly agree: 5

Partially agree: 3

Disagree: 2

Not relevant to me / I don't know: 2

**Fairtrade Finland's conclusion:** Based on the consultation responses, the requirement was revised to include a reference to "exceptional circumstances".

# 8.3 Waste disposal

Applies to: Berry companies

You ensure sufficient training and waste disposal facilities at picker accommodation to avoid littering and polluting the environment. Further, you train the employees in everyone's rights to mitigate the risk of littering and polluting in forests (3.8)

**Consultation responses:** Strongly agree: 9



Partially agree: 0 Disagree: 0 Not relevant to me / I don't know: 0 Fairtrade Finland's conclusion: Based on the consultation responses, the original requirement was accepted as it stands.

#### 8.4 Nutrition

Applies to: Berry companies

You or your contractor provide the berry pickers with regular meals that are adequate for a person engaged in heavy manual picking.

Pickers are allowed to choose their own nutrition.

**Guidance**: For further details, please see the <u>WHO Factsheet on Healthy diet</u>.

**Rationale**: In the past, insufficient, overpriced, and poor-quality meals have been a common concern in the berry industry.

Consultation responses:

Strongly agree: 11 Partially agree: 0

Disagree: 0

Not relevant to me / I don't know: 0

**Fairtrade Finland's conclusion:** Based on the consultation responses, this requirement was streamlined to eliminate repetition and contradictions with Requirement 6.5, which mandates only at-cost deductions.

