



# Frequently Asked Questions

Regarding the Major Revision and Public Consultation of the  
Factory Production Standard

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## About Fair Trade USA’s Factory Production Standard (FPS)

### What is the FPS?

The FPS sets the requirements for Fair Trade Certified™ factory production systems globally. It serves workers in facilities that produce a variety of products, such as apparel, footwear, and home goods. The objective of the FPS is to increase empowerment, including leadership, economic development, and organization of workers employed in these facilities, and to ensure fair working conditions and environmentally responsible production methods. We recognize that sustainability is a journey, and our standard focuses on continuous improvement over time to achieve superior social, economic, and environmental practices.

Fair Trade certification, however, is more than just the standard itself. In addition to our rigorous standards, our model drives impact and value through the investment of Community Development Funds (the Fair Trade Premium) and the provision of factory support services, such as education and training on human rights, leadership, gender equity, and financial resilience.

Please visit our [website](#) to learn more about our model.

### How does the FPS benefit workers?

The FPS benefits workers through the third-party verification of its requirements, which safeguard workers by ensuring safe and fair working conditions. Furthermore, the Fair Trade Premium is a sum of money passed through the supply chain, untouched, to the workers directly. The workers democratically decide how to spend this money to meet the needs of the community and the environment.

### How was the original FPS developed, and how were stakeholders involved?

In response to concerns over human rights abuses in factory production industries like apparel, our Factory Standard was developed to bring the benefits of fair trade to workers in factories around the world. Fair Trade USA started to research the feasibility of certifying apparel factories in 2006, producing a study that



consulted over 60 organizations globally and highlighted the key issues for Fair Trade certification in the sector. From 2007 to 2009, Fair Trade USA reviewed other existing standards and consulted with NGOs, trade unions, brands, retailers, suppliers, and artisan workshops to draft the first Cut Make Trim (CMT) Facilities Standard.

In March 2010, the first version of the Pilot CMT Facilities Standard was published, and pilots were initiated. A Multi-Stakeholder Group for Apparel was established to evaluate the implementation of the Apparel Pilot, including impact to workers and lessons learned, and issued written recommendations to Fair Trade USA. Fair Trade USA incorporated these recommendations into the Factory Standard. In 2014, the CMT Facilities Standard was renamed to the Factory Standard for Apparel and Home Goods to increase the scope of applicable products. The content was not changed in any substantive way from the CMT Facilities Standard, Apparel & Linens Version 1.0, which the Factory Standard for Apparel and Home Goods replaced.

Fair Trade USA is a full ISEAL member, and we establish and revise standards according to the [ISEAL Code of Good Practice](#). You can see our full [Standard Development and Revision Procedure](#) for more information on the Standards and Implementation Resources team's revision process.

## About the FPS Major Revision

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### What is a major revision?

A *major* standards revision generally involves significant changes to the standard which require a change in practice of Certificate Holders. This can include everything from the addition of new topics that were previously not addressed, significant changes to existing requirements, and more general programmatic changes, such as changes to timelines or implementation practices. As per ISEAL best practices, a standard should undergo a major review every five years.

### What are the objectives of the FPS major revision?

The current iteration of the FPS has been in practice for over five years. During this time, Fair Trade USA has gained experience through the implementation of the program, and we have identified areas for improvement. The main objectives of the FPS major revision are as follows:

- Evaluate opportunities to increase alignment with other Fair Trade USA producer standards, including innovations in the Fair Trade Difference model, to strengthen impact for factory workers as well as improve the effectiveness and efficiency of support services provided by Fair Trade USA.
- Evaluate and right-size our approach to continuous improvement and scoring to balance rigor with program accessibility, promote effective implementation and systems, and incentivize longer-term improvements.
- Evaluate and refine our approach to environmental requirements.
- Structure the Factory Standard to facilitate application in other manufacturing industries to broaden the impact of Fair Trade USA.
- Refine and clarify scoping requirements to ensure they are clear and appropriate for diverse contexts and iterate these for broader application.
- Identify opportunities for Fair Trade USA to reduce the audit burden on factories where possible by effectively aligning with other programs and engaging in existing alignment opportunities (e.g., the Social & Labor Convergence Program) and exploring opportunities for mutual recognition.



- Address structural, grammatical, and clarity amendments.

## What are the biggest changes in the major revision of the FPS?

Some of the most significant changes to the FPS are structural. The organization of the FPS has been updated to improve navigation, better enable recognition of other certifications and programs, support adaptation to new industries, and match Fair Trade USA's other producer Standards. The new Module breakdown of the FPS is as follows:

Module 1: Empowerment

Module 2: Fundamental Rights at Work

Module 3: Conditions of Employment for Workers

Module 4: Working Hours and Occupational Health and Safety

Module 5: Environmental Responsibility and Management

Module 6: Transparency and Traceability

Module 7: Internal Management System

Additionally, many existing requirements related to policies, procedures, training, and communication channels between workers and management have been centralized as part of a comprehensive Internal Management System (IMS). Centralizing these types of requirements in the IMS in Module 7 also changed how requirements were written throughout the rest of the Standard, particularly in Module 2. These requirements are now outcome focused rather than focused on documentation.

Another significant structural change is the introduction of a new Continuous Improvement scoring system. Criteria are now classified as either Critical, Progress, or Continuous Improvement. This new scoring system is intended to support greater flexibility and transparency as a factory progresses in their Fair Trade certification, recognizing differing contexts and capacities while encouraging continuous improvement. With this scoring system, many requirements have been made more progressive in nature, including allowing more time to implement the Fair Trade Committee and Premium Plan. Please review the FPS Scoring Guidance, available on the [revision website](#), for additional details on the new scoring model.

Additional key issues that have been included or expanded upon are Premium management, worker engagement, living wage, recruitment, use of labor contractors, documentation of sales and Premium, and the role of vendors.

Furthermore, we are expanding the FPS scope to allow for certification of factory production industries beyond apparel and home goods.

## What were the inputs into the current Draft of the FPS 2.0.0?

At the beginning of 2021, Fair Trade USA began the first major revision to update the Factory Standard. It has become clear that a substantial update is needed to ensure that the Standard is fit for purpose in the different geographies and industries in which we work. The Standard has been re-named the Factory Production Standard (FPS) to better represent this diversity. The draft FPS 2.0.0 was developed using a review of learnings from over five years of implementation in the field as well as interviews with a selection of producers, trading partners, environmental and social NGOs, and experts spanning a variety of geographies.



## Participation in the Major Revision

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### How can I provide feedback during the major revision?

Fair Trade USA invites you to provide feedback on our Draft FPS 2.0.0 during our public comment period, which begins on October 25<sup>th</sup> and ends on December 23<sup>rd</sup>, 2021. All the information and resources you need to provide feedback can be found on the FPS Revision [webpage](#). There, you will find the Draft FPS 2.0.0 in English, Hindi and Vietnamese as well as the public consultation survey in English, Vietnamese, and Chinese.

### What kind of feedback is Fair Trade USA looking for?

The public comment form (both online and offline) contains targeted questions which are of particular interest to Fair Trade USA; however, feedback on any part of the Draft FPS 2.0.0 is encouraged. Feedback will be most useful if the public comment form is filled out *after* reviewing the resources provided on our revision page, including the Draft FPS 2.0.0, the draft updated Requirements for Certificate Scope Under the FPS, and the FPS Scoring Guidance.

### What happens to the feedback I provide?

Feedback received during the public consultation period will be reviewed and used to refine the Draft FPS 2.0.0 into its final version. It will be processed and analyzed, along with other learnings and data that Fair Trade USA has collected, to consolidate all inputs and inform final decisions on content of the final version of the FPS 2.0.0. Fair Trade USA's external Standards Committee – consisting of experts from a variety of industry backgrounds across all of Fair Trade USA's categories – will support and advise on this revision process as well as play a critical role in understanding and reacting to stakeholder feedback on core strategic and technical issues.

A summary of the comments received during the public consultation and Fair Trade USA's responses will be publicly shared along with the publication of the final FPS 2.0.0. Our aim is to use your feedback to ensure the FPS is relevant, impactful, and clear, and that Fair Trade USA meets the needs of our partner producers, consumers, and businesses.

We anticipate that the revised version of the FPS will be published in Q3 2022 along with summaries of feedback received and changes made.

### Where can I find additional information and stay updated on the FPS major revision?

Information about the revision process, public consultation, and updates will be provided on the [FPS Revision webpage](#).

