



Score System Guide for the Factory Production Standard (FPS)

Fair Trade USA®

Draft Version 1.0.0

1. Types of Criteria

1.1. The FPS Has Three Types of Criteria: Critical, Progress and Continuous Improvement

Critical criteria: MUST be met by a specified timeframe.

- The majority of Critical criteria are required at initial certification (Year 0);
- All remaining Critical criteria must be achieved within a specified timeframe, with FULL compliance to ALL Critical criteria required by Year 6 at the latest; and
- Some Critical criteria must be met in a specified order in addition to a specified timeframe, before or after other related criteria have been implemented, primarily in Module 1: Empowerment.

Progress criteria: Describe flexible improvement requirements.

- The Certificate Holder (CH) must show a minimum level of compliance and progress over time. Each Progress criterion is worth a specified number of Progress points, valued at 1, 3 or 5. To be in compliance with the FPS, the Certificate Holder must earn:
 - 40% of all possible Progress points in the FPS prior to initial certification and through Year 2 (Years 0 - 2);
 - 70% of all possible Progress points in the FPS Years 3 - 5; and
 - **FULL compliance with ALL Progress criteria by Year 6.**
- The Certificate Holder may select which Progress criteria to comply with to reach the minimum percentage of Progress points required, within the relevant timeline.
- Only the following Modules contain Progress criteria:
 - Module 3: Conditions of Employment for Workers;
 - Module 4: Working Hours and Occupational Health & Safety;
 - Module 5: Environmental Responsibility and Management; and
 - Module 7: Internal Management System.
- Partial points for a criterion cannot be earned. Points are only awarded for FULL compliance.
- Progress points are earned even when that particular criterion is not applicable for a specific site.
 - For example: *3.4.1.a: Where access to stores or services is limited or not possible due to location, the employer provides options for purchasing goods and services at fair and reasonable prices.* This criterion is only applicable where factories are located in a remote area. Factories may still earn the valued 3 Progress points even if this criterion does not apply to their situation.



Certification Year	Progress Points Required
Y0 – minimum points required (40%)	41
Y3 – minimum points required (70%)	72
Y6 – total points required (100%)	102

Continuous Improvement criteria: Describe best practices for ongoing improvement.

- All Continuous Improvement (CI) criteria are optional, and do not affect the Certificate Holders Certification status. Each CI criterion is worth a specified number of CI points, valued at 1 or 3. The Certificate Holder can earn points to qualify for performance badges (See section 2 below).
 - **Fair Trade Leader:** 40%-69% of all possible CI points in the FPS; and
 - **Fair Trade Champion:** 70% or above of all possible CI points in the FPS.
- The Certificate Holder may select which CI criteria to comply with to reach the minimum percentage of CI points required to earn a Badge.
- Only the following Modules contain CI criteria:
 - Module 1: Empowerment;
 - Module 3: Conditions of Employment for Workers;
 - Module 4: Working Hours and Occupational Health & Safety;
 - Module 5: Environmental Responsibility and Management; and
 - Module 7: Internal Management System.
- For progressive CI criteria covering the same topic, CHs can earn CI points for multiple CC.
 - For example, vacation day requirements: If a CH provides 2 weeks of paid vacation days to workers, the CH will earn one CI point for compliance with 3.2.4.e and three CI points for compliance with 3.2.4.f.
- Partial points for a criterion cannot be earned. Points are only awarded for FULL compliance.

Achievement Badge	CI Points Required
FT Leader (40-69%)	26 – 45
FT Champion (70-100%)	46 – 65



1.2. Identifying Criteria Type

No.	Compliance Criterion	Timeline	Intent and Clarification
5.1.1	C-Y# (Critical criterion – Year) – Critical criterion must be achieved by the specified audit year (Y0 must be achieved prior to certification)	C-Y0	Clarification: The intent of this criterion is that the factory, at a minimum, follows the local law in its attempt to protect and restore the natural environment.
5.1.1		P-5	P-# (Progress criterion – Points) – Progress criterion, worth the indicated number of points, and count towards the total earned points. The CH may choose to achieve compliance with this criterion any time prior to Y6. Once in compliance, the indicated points are counted towards the total score.
5.1.1.c	The factory has an Environmental Management System in place to monitor and improve its environmental performance. ...	CI-3	Clarification: See Objective 5.1.2 for examples of areas/themes to focus on in the Environmental Management System (EMS). Factories should also consider any other key issues specific to their production. ...

CI-# (Continuous Improvement criterion – Points) – Continuous improvement criterion, worth the indicated number of points, and count towards the total earned points. These are considered best practice and are not required for certification. The CH may choose to achieve compliance with this criterion to earn a Fair Trade Badge of Leader or Champion.

2. Continuous Improvement Badges

Fair Trade USA supports factories around the world in implementing the highest in internationally recognized protections for workers, employment conditions, and environmental practices. In order to encourage and recognize Certified factories that are implementing even stronger protections that the FPS 2.0 requires, we have developed a Continuous Improvement Badge system. Certificate Holders may earn performance badges by earning Continuous Improvement points. Continuous Improvement criteria are practices that are recognized and encouraged as best practices but may not be initially feasible in all contexts.

The performance badge system is flexible in order to encourage Certificate Holders to pursue the best practices most appropriate to their individual context and phase in more rigorous practices over time.

Performance badges do not affect certification status nor the on-product label. However, the badge level achieved, and total Continuous Improvement score earned, are visible to the factory and its buyers, so that all parties in the supply chain can understand and recognize a factory’s best practices and journey of continuous improvement.

Fair Trade Leader represents those factories that have made significant progress on their journey of continuous improvement and are implementing a significant number of industry best practices.



Fair Trade Champion represents the highest bar for factory production and worker empowerment. Those who achieve Fair Trade Champion are pioneering, model factories.

FT Leader



Extra

Any 40-69% of CI

FT Champion



Best in Class

70-100% of CI

