



Factory Production Standard 2.0.0 Transition Policy

Fair Trade USA™

Version 1.0.0

Purpose

Fair Trade USA has updated its Factory Production Standard that applies to all factories manufacturing Fair Trade Certified™ products, including apparel, home goods, and more. The purpose of this document is to outline the policy for transition from the Fair Trade USA Factory Standard for Apparel and Home Goods 1.4.0, to the new Factory Production Standard version 2.0.0.

Scope and Applicability

This policy applies to all existing Certificate Holders certified under the Factory Standard for Apparel and Home Goods 1.4.0 (AHG 1.4.0), and all applicants to be certified under the Factory Production Standard (FPS) 2.0.0.

On January 1, 2023, the FPS 2.0.0 becomes effective. After this date, the previous version of the Standard (AHG 1.4.0) becomes obsolete.

Audits of existing Certificate Holders carried out between April 1, 2022, and December 31, 2022, will be against the AHG 1.4.0. Any audits for new applicants to the Factory program occurring between April 1, 2022, and December 31, 2022, will be against the Draft FPS 2.0.0.

All audits carried out after January 1, 2023, will be against the FPS 2.0.0.

For clarification on the implementation of this policy, please contact Fair Trade USA's Certification team at certification@fairtradeusa.org.

Related Documents

- Factory Production Standard 2.0.0
- Requirements for Certificate Scope under the Factory Production Standard
- Summary of Changes to the Factory Production Standard 2.0.0
- Factory Assurance Manual



1. Existing Certificate Holders

1.1. All audits will be conducted against the full requirements of the Factory Production Standard 2.0.0 beginning on its effective date of **January 1, 2023**.

1.2. Normal audit cycle requirements will apply for all audits after the publication of FPS. For example, any Certificate Holders on their Year 3 audit must comply with Year 3 requirements of the applicable FPS.

1.3. For existing Certificate Holders certified under the AHG 1.4.0, a transition period of one year from publication of the standard, August 22, 2022 to August 22, 2023, will be allowed for all criteria which represent “new” requirements¹.

1.3.1. For audits taking place after January 1, 2023, flexibility is provided for any non-compliances (NCs) raised on “new” requirements. For these NCs, if the CAP due date falls before August 22, 2023, a Corrective Action Plan (CAP) will be required, which describes the actions planned to be implemented to become compliant by August 22, 2023. For NCs not categorized as “new”, the CAPs shall be implemented according to the normal process.

1.3.2. For audits conducted after August 22, 2023, no requirement is considered “new” anymore and the normal CAP process applies.

2. New Certificate Holders

2.1. All audits will be conducted against the full requirements of the Factory Production Standard 2.0.0 beginning on its effective date of **January 1, 2023**.

2.2. For audits conducted after **January 1, 2023**, no requirement is considered “new” and the normal CAP process applies.

2.3. Audits taking place after April 1, 2022, and before the effective date on January 1st, 2023, are conducted against the Draft FPS 2.0.0.

¹ “New” requirements are those criteria which did not exist in the AHG 1.4.0, and criteria which underwent a significant modification through the revision. “New” requirements will be determined by Fair Trade USA based on the previous version of the FPS. Please refer to the Summary of Changes to the Factory Production Standard 2.0.0 available on the [revision website](#).

3. Factory Production Standard Timeline Overview

