

ECOSOCIAL CERTIFICATION PROGRAM



9th Edition - 2010

PROGRAM FOR FAIR RELATIONSHIPS IN TRADING SOCIALY AND ENVIRONMENTALLY CERTIFIED PRODUCTS

IBD CERTIFICATIONS

Address: Rua Dr. Costa Leite, 1351, Centro - 18.602.110 - Botucatu / SP – Brazil

Phone/Fax: +55 14 3882 5066 - EcoSocial@ibd.com.br - www.ibd.com.br

TABLE OF CONTENTS

INTRODUCTION	3
1. FEATURES AND MODE OF OPERATION	6
1.1. Standard Scope.....	6
1.2. Types of Certifiable Operations:.....	6
1.3. Features:.....	7
1.4. Operation.....	9
1.5. Certification of chain of custody.....	11
1.6. Labeling as EcoSocial certified.....	11
2. DEVELOPMENT CRITERIA:	15
2.1. DEVELOPMENT CRITERIA FOR INDIVIDUAL ENTERPRISES	15
2.2. DEVELOPMENT CRITERIA FOR COLLECTIVE ENTERPRISES	27
2.3. DEVELOPMENT CRITERIA FOR TRADERS.....	40
2.4. DEVELOPMENT CRITERIA FOR SPONSORS.....	43
2.5. CRITERIA FOR MANUFACTURERS MAKING A CLAIM ON USE OF ECOSOCIAL INGREDIENTS IN THEIR PRODUCTION PROCESS.....	45
APPENDIX I: GLOSSARY OF TERMS, ACRONYMS AND DEFINITIONS USED IN THE ECOSOCIAL GUIDELINES.....	46
APPENDIX II: PROTOCOL FOR PUBLIC CONSULTATION – ECOSOCIAL PROGRAM.....	49
APPENDIX III: INTERNATIONAL AGREEMENTS AND CO-RELATED BRAZILIAN LEGISLATION.....	50
APPENDIX IV: MAIN DIFFERENCES BETWEEN CERTIFICATION CATEGORIES	53
APPENDIX V: BIBLIOGRAPHICS REFERENCES	54

ECOSOCIAL CERTIFICATION PROGRAM

INTRODUCTION

The global crisis set going answers in search of building a new paradigm capable of giving environmental, social, economical and political sustainability to the processes lived in the planet. According to CAPRA (1993), the beginnings of this change - the move from a mechanistic conception to a holistic one from reality - are already visible in all corners and are susceptible to dominate the present decade. Social, environmental, political and economical movements are articulated in different spheres, promoting changes in values, concepts and practices at local and global levels.

But, there is still a lot of transformation to be fomented, making that humanity, at the outset of XXI Century, is still asking: Which would be a more sustainable model from the social, economical, political and environmental point of view? Is this possible in the present juncture? What has to be done to reach it? These questionings are also being done by the top members of the United Nations - UN - and as a result on this search for answers international agreements have been produced towards a new development model.

In 1992 Rio de Janeiro saw the United Nations Conference on Environment and Development - ECO 92 - where a challenge was launched to the world, to find a common agenda among member countries, to alter the trend of development in the planet towards sustainability. In 1999 the UN launched the United Nations Global Compact program, directed to the international business community, in order to promote their commitment with fundamental values in areas such as human rights, labor and environment. In 2000, during the so called Millenium Summit, the member countries signed the United Nations Millenium Declaration, made up by the "Eight Targets of the Millenium," to be urgently achieved by member countries until the year 2015. Other documents, similar to these, have also turned up, like the Kyoto Protocol, the Universal Declaration of Human Rights, the Earth Charter Action, besides an enormous array of laws and decrees ruling social and environmental management all over the world.

These UN initiatives, as much as all the other documents are fundamental, since they set parameters to be followed towards socio-environmental and economical sustainability among peoples living in the planet Earth. Nevertheless, according to VEIGA (2004), for the targets mentioned in these documents to be effectively met where the problems really are - immediate reality - they need to be incorporated by societies in their daily practice, as well as in the public policies of all countries.

Hence, IBD Certifications, while a certifier for products and processes, being concerned with the society and the environment, support organic agro-industrial production within economic, environment human and social sustainability patterns. Since 2004, aiming at improving locally the social, Fair Trade, and environmental scenario, IBD Certifications launched the EcoSocial certification program. EcoSocial has been used in different kind of operations, in several countries, to implement the international principles, objectives and goals of sustainability. The creation of EcoSocial came from the recognition that the present social and environmental contexts in the planet indicate the adoption of more specific certification tools to audit socio-environmental issues present in businesses, farms and groups of certified producers, besides those already used in Organic Certification Protocols.

EcoSocial brings innovations to the traditional Fair Trade concept. In this program the certifier does not establish minimum prices nor the Premium value. Product price must be linked to production costs and market negotiations, the latter having to happen under ethical principles, guaranteeing clarity, transparency and benefits for the producers. The EcoSocial Premium value is determined by the needs of investment in Social and Environmental Development Programs, according to goals established by producers/industries and approved by the Certifier. Another differential is that the EcoSocial scopes applies to any product and not only to some for which minimum prices and Premium values have already been defined.

ECOSOCIAL CERTIFICATION PROGRAM

EcoSocial certification aims at auditing businesses, farms and groups of producers through human, social, environmental and economical development criteria. To be certified operations must present an initial diagnostic, pointing the social and environmental demands to be overcome. The operation must present an Action Plan detailing how the improvements will be implemented, with the purpose to fulfill all the minimum criteria listed in the Guidelines and, at least, two progress criteria related to environmental development and two related to the human and social, during the year of certification.

Criteria for Environmental Development:

- ✓ Adjustment to environmental legislation and regularization along environment agencies;
- ✓ Environmental Conservation;
- ✓ Environmental Recovery;
- ✓ Adequate management of water resources;
- ✓ Adequate management of solid residues;
- ✓ Adequate management of liquid effluents;
- ✓ Adequate management of gaseous effluents;
- ✓ Biodiversity conservation and increment;
- ✓ Reduction of environmental impacts generated by the production activity;
- ✓ Reduction in the emission of greenhouse effect gases;
- ✓ Support to Environmental Education;
- ✓ Other environmental aspects specific to each operation.

Criteria for Human and Social Development:

- ✓ Commitment to Transparency;
- ✓ Lawful property;
- ✓ Adjustment to labor legislation and regularization along labor agencies;
- ✓ Support to union workers;
- ✓ Increment on work safety and salubrity;
- ✓ Equal rights and benefits to full time and part time workers;
- ✓ Partaking in results;
- ✓ Workers training;
- ✓ Training for producers groups management;
- ✓ Technical training for groups of producers;
- ✓ Ban to child labor;
- ✓ No discrimination: social, racial, religious, political, gender;
- ✓ Support to fundamental and continued education;
- ✓ Improvement on living, food and health conditions;
- ✓ Support to the woman worker, support to the pregnant and lactant;
- ✓ Support to the aged;
- ✓ Prevention and support to addictions users of tobacco, spirits and drugs);
- ✓ Support to social organization and participation;
- ✓ Other social aspects specific for each operation.

Criteria for Economical Development:

- ✓ Promoting a fair trade relationship;
- ✓ Support to open, transparent and durable negotiations among the parties;
- ✓ Foment Social and Environmental Development in the productive chain, through payment of EcoSocial Premium;
- ✓ Establishment of better production practices aiming at product quality.

In EcoSocial Program, some **criteria** are considered **critical**, in other words, they determine suspension or cancelling of certification, even if other criteria are being fulfilled. They are:

- ✓ Break of traceability.
- ✓ Deforestation non-authorized by environment agencies.
- ✓ Throw of effluents in water bodies in non conformity with Environment Laws.

ECOSOCIAL CERTIFICATION PROGRAM

- ✓ Hunting, capture and trade of wild animals.
- ✓ Undue exploitation of the right to property.
- ✓ Inexistence of hiring and payment procedures with workers.
- ✓ Existence of discrimination: social, cultural, political, religious, ethnic, racial, sexual, age.
- ✓ Child labor.
- ✓ Forced labor.
- ✓ Workers exposed to risks without appropriate individual protection.
- ✓ The use of agrochemicals must happen under the responsibility of a properly trained professional, and following the country's norms.

In cases where the size, the nature and the location of the operation characterize it as of high environmental risk, IBD will have to organize, prior to the inspection, a survey in local indicators as much as a Public Consultation. The purpose of this work is to interpret locally the criteria established in the EcoSocial Guidelines, aiming to diagnose the specificities of local and regionalized impacts issuing from the installation of a certain operation. Following, IBD will publish the intentions of certifying the operation in web sites under its management and in the regional press where the operation is located.

Upon enrolling in the EcoSocial Program, the operation must submit a Ground Zero Diagnostic that characterizes its social and environmental aspects. The evaluation of this document is essential for the determination of the operation's category and need for Public Consultation. Through Public Consultation, stakeholders will be invited to comment on the operation's certification intent and the certifier will be required to carefully evaluate all comments, if they occur.

The EcoSocial Guidelines are based on the ILO - International Labor Organization Conventions, diverse International Protocols such as Agenda 21, the Global Compact and The UN Millennium Development Goals, as well as upon standards such as SA 8000, ISO 14.000 and BS 8800. IBD is accredited by standardized international norms defined in ISO 65, guaranteeing quality throughout the certification process.

Considering the above mentioned, to be EcoSocial certified IBD is a guarantee that the operations are engaged in processes aiming a sustainable development, attending the demand of conscious and aware consumers, ever growing in all countries. Furthermore, operations which are in conformity to the legal demands of a great part of the international trade regulating and supervising agencies. However, another advantage in the certification EcoSocial IBD is the opening to new marketing opportunities.

Following, for a better understanding of the Guidelines, it is recommended the previous reading of the Glossary of Terms and Definitions presented in Appendix I.

ECOSOCIAL CERTIFICATION PROGRAM

1. FEATURES AND MODE OF OPERATION

1.1. Standard Scope

1.1.1. IBD EcoSocial is a Socio-Environmental and Fair Trade Certification System applied to organic products and process.

SCOPE	MINIMUM REQUIREMENTS	LABELING
EcoSocial IBD	1) To comply to labor, sanitary and environmental national legislation; 2) To comply to the minimum criteria of economic development – fair trade. 3) To be executing at least two social programs and two environmental programs aiming the continuing improvement of the standard of socio-environmental quality in the projects.	To use the seal in a product or promoting material will be permitted as established in the agreement with IBD.

1.1.2. In exceptional conditions, to be evaluated by IBD, the candidate to the EcoSocial seal may concentrate resources in one only environment or social program, which impact be of recognized context relevance.

1.1.3. Operations producing or trading products with certification EcoSocial IBD and non EcoSocial must establish strict separation measures, necessary to avoid all risks of mixing products with different classifications.

1.2. Types of Certifiable Operations:

1.2.1. All conventional agricultural products, as well as products and services of any nature may be EcoSocial certified. The following categories of operations are highlighted:

- a) **Individual enterprises:** made up by one productive unit, where work relations are based in a formal labor contract and/or in a familiar basis.
- b) **Collective enterprises:** made up by many production units where owners have an associative and/or cooperative relationship, labor relations may be formal and/or familiar.
- c) **Traders:** enterprises buying and selling EcoSocial certified products.

ECOSOCIAL CERTIFICATION PROGRAM

- d) **Enterprises using EcoSocial ingredients** in their production process: “claim on Ingredients” category.
- e) **Sponsors:** organizations supporting financially social and environmental projects undertaken by EcoSocial certified operations.

1.3. Features:

- 1.3.1. The EcoSocial trade Mark is registered property of IBD.
- 1.3.2. To use the EcoSocial Seal depends on a signed agreement between the operation and IBD Certifications after presentation and evaluation of the inspection report of inspection made by inspector authorized by the certifier.
- 1.3.3. This Seal guarantees to the consumer that the certified products and services under this system respect economic development criteria based in Fair Trade principles, as well as environmental, human and social development criteria, established in the body of these guidelines, from production up to trading..
 - a) **Subcontracted services:** In case a certified enterprise subcontracts a service, it must make sure that the third party complies with the minimum social and environmental criteria defined in these Guidelines.
 - b) **Suppliers:** All suppliers of raw material must be included in the operation’s certification process. This includes participation in the Ground Zero Diagnostic, compliance with minimum criteria, the development of progress programs and inclusion in the Management Commission
- 1.3.4. Projects are evaluated from minimum criteria – comprising aspects covered by national legislation related to environment conservation, labor, sanitary, health and work safety rights, as well as international norms and agreements, above all the ILO (International Labor Organization) conventions.
 - a) Trading Companies and manufacturers putting a claim on use of EcoSocial ingredients are not audited against minimum criteria.
 - b) Sponsors can choose between being or not audited against minimum criteria, so they can or cannot use the EcoSocial Seal in their marketing materials. See item 1.6.1 “e” & 2.4.

ECOSOCIAL CERTIFICATION PROGRAM

1.3.5. In the EcoSocial Program, trade relationships based on **Fair Trade** principles are considered to be **minimum criteria**. In other words, these principles must be applied to all certified projects.

1.3.6. Some criteria are considered critical and block the beginning or remaining of a certification process, by the client, according to the chart that follows.

a) Producers or enterprises adopting practices incompatible with the EcoSocial Guidelines, not complying with the criteria qualified as critical may be disconnected from the certification process.

b) IBD Will judge on the seriousness of the cases presented under the item before and decide on the continuity of the certification process.

CRITERIA	CRITICAL CRITERIA
1.1.3	Break in Traceability.
2.2.1 “n” 2.2.2 “r”	Undue exploitation of land ownership rights.
2.2.1 “a” 2.2.2 “e”	Inexistence of recruiting procedure and the employees' remuneration.
2.2.1 “j” 2.2.2 “n”	Existence of any type of discrimination.
2.2.1 “k” 2.2.2 “o”	Existence of child labor in violation of child and adolescent rights.
2.2.1 “l”, 2.2.2 “p”	Existence of forced labor.
2.2.1 “c” 2.2.2 “g”	Not safe and insalubrious working conditions.
2.3.1 “c” 2.3.2 “c”	Deforestation without evaluation of necessity and non authorized by the qualified agency.
2.3.1 “k” 2.3.2 “k”	Cast of effluents and solid residues in water body.
2.3.1 “c” 2.3.2 “c”	Hunt, capture and trade of wild animals.
2.3.1 “g” 2.3.2. “g”	Use and manipulation of Organisms Genetically Modified.

ECOSOCIAL CERTIFICATION PROGRAM

- 1.3.7. Besides complying with the minimum criteria, the enterprises under certification must implement at least two social programs and two environment programs per year – progress criteria – under the concept of continuous improvement or item 1.1.2 and 1.4.4.
- 1.3.8. By continuous improvement it is understood that during the annual audits it is possible to verify the improvements in the indicators chosen to monitor ongoing social and environment programs.
- 1.3.9. If the inspector detects any nonconformity with this Standard in the field, he may issue a noncompliance, classified as either minor or major.
- a) **Major noncompliance** indicates that a criterion is not being complied with in its totality, or that a minor noncompliance is reoccurring.
 - b) **Minor noncompliance** indicates that a criterion is only partially fulfilled.
- 1.3.10. The **critical criteria** may not receive noncompliances, subject to risk of suspension of certification. In case the enterprise has opportunities for improvement in critical criteria, and no non-conformities are indicated, the inspector may present them in **Observations** in his Final Report.

1.4. Operation

- 1.4.1. In order to be certified, EcoSocial operations must require specific registration through IBD.
- 1.4.2. Upon registration, the client interested in certification must present the results of an assessment of the main social and environmental aspects related to the operation, called the Ground Zero Diagnostic. This document will define the operation's base level within the EcoSocial Program.
- a) This Diagnostic is necessary for acceptance in the program and must be filled out completely, either by the operation interested in certification or by a contracted third-party. IBD will send a standardized step-by-step guide for operations interested in registering in the IBD EcoSocial Program.
 - b) The data contained in this document will serve as a measurement parameter for evaluating **ongoing improvement**, providing tools for IBD to assess the progress of socio-environmental and fair trade actions from year after year, through future audits.
 - c) The Diagnostic will provide the basic data necessary for evaluating the need for **Public Consultation**, which will be carried on in accordance with specific Protocol presented in Appendix II.
 - d) Operations that only use the EcoSocial ingredients claim, Sponsors, and Traders that do not certify producers under their umbrella do not need to fill out the Ground Zero Diagnostic.

ECOSOCIAL CERTIFICATION PROGRAM

- 1.4.3. Minimum criteria that are not being met should be indicated in the Ground Zero Diagnostic, and for each, an **Adjustment Program** should be specified that includes goals, actions, and timeframes.
- 1.4.4. The operation must present a description of the social and environmental programs to be developed throughout the certification year in order to comply with the **progress criteria** requirement. Clear indicators and goals for each selected program should be identified, such that progress can be followed in accordance with the specific chronogram presented in the EcoSocial Questionnaire (QP).
- a) Manufacturers making claim on use of EcoSocial ingredients, Traders with no sub-contracted producers group and Sponsors do not need to undertake development programs.
 - b) Individual enterprises can choose between implementing own development programs, and coordinating programs execution in other enterprises, upon concrete need, approved by IBD.
 - c) Trading Companies and Sponsors shall invest in supported operations development programs, via payment of EcoSocial Premium.
- 1.4.5. The choice and management of the Progress Programs must be made in a participating basis, involving the different parties concerned in the enterprise, composing a Management Commission.
- 1.4.6. The EcoSocial Program must be managed internally in the enterprise, by a Commission, made up by representatives of the different sectors. Manufacturers making claim on use of EcoSocial ingredients, Traders with no sub-contracted producers group and Sponsors do not need to set up a Management Commission.
- 1.4.7. Representation of the parties in this Commission must happen by indication or election, and this process must be approved by IBD.
- 1.4.8. If considered necessary, a **program may be discontinued**, according to technical justification to be discussed with IBD, being immediately replaced by another program. The choice of new programs must include the participation of the Management Commission, and should take into consideration any deviation from that which is desirable by law as well as the arguments presented in the Ground Zero Diagnostic.
- 1.4.9. Once **Registration** and the **Diagnostic** have been approved by IBD, the operation or property must be inspected *in loco* by a trained professional that has been indicated by the certifier.
- 1.4.10. Having been attained the minimum criteria and defined the progress ones, the project may receive certification standard EcoSocial IBD, having to be monitored every year by the certifier, based in specific inspection procedures.

ECOSOCIAL CERTIFICATION PROGRAM

1.5. Certification of chain of custody

1.5.1. Applicability

- a) The EcoSocial seal may be used by companies marketing **products** as well as by organizations that support the development of socio-environmental programs in progress by certified clients;
- b) For companies that intend to use the EcoSocial Seal to market **products**, item 1.5.2 should be applied.

1.5.2. Control of requirements along the chain of custody

- a) The Seal EcoSocial IBD may be associated to any **EcoSocial** (producer or company) in a chain of custody, but
- b) The Seal EcoSocial IBD may be associated to the **final product (s)** in a chain of custody if all the prior components in this chain are in conformity with this norm, observed the specificities presented in item 1.3.3.
- c) The EcoSocial products may be processed and traded by **units not certified as EcoSocial**, but in this case, they must follow the item 1.5.3 in this norm.
- d) In the situation described in item c), the processing and trading unit must be in conformity with at least the pertinent laws (labor, health and safety, sanitary and environment).
- e) In any case, it will be demanded the implementation of a **traceability system**, capable to guarantee that products sold are really EcoSocial, without any type of transversal contamination by non EcoSocial products.

1.5.3. Sub-contracted / outsourced operations

- a) When **subcontracting** is used (third party hiring) for processing activities or for other services, the contracted party should be, in the very least, as compliant with pertinent legislation (sanitary, environmental and labor) as the contracting company; or
- b) If minimum criteria have not been respected, the subcontracted company should present IBD with any adjustment programs necessary to reach the same level of compliance as the contracting company;
- c) The inspection of subcontracted facilities will be carried out by IBD or a local certifier approved by IBD to carry out EcoSocial inspections as part of the certification process for the originally certified operation.

1.6. Labeling as EcoSocial certified

1.6.1. References for certification in advertising material:

- a) The IBD EcoSocial seal can be used in any **promotional material** as long as its use is directly associated to the products certified;

ECOSOCIAL CERTIFICATION PROGRAM

- b) All advertising material must be sent to IBD for previous approval;
- c) It is forbidden to use the Seal EcoSocial IBD in advertising material before the issue of the first certificate of conformity with the program.
- d) Manufacturers of the “Ingredients Claim” category cannot use the EcoSocial seal, independently of the percentage of EcoSocial certified ingredients in the final product composition.
- e) Sponsors can choose between being or not audited against minimum criteria. If not, wordings expressing the financial support to sponsored operation can be used, but the EcoSocial seal cannot in any case be displayed in association to the organization name or logo.

1.6.2. Using the Seal EcoSocial IBD

- a) The Seal EcoSocial IBD can only be associated to a **final product in a chain of custody** if all the previous components in this chain are in conformity with this norm; or
- b) By the processing units which are supplied by suppliers in conformity with the EcoSocial Program.
- c) When the final product is made up exclusively, as to its agricultural ingredients, from raw materials originated in production chains where all participants are in conformity with these norms; or
- d) When the final product has in its composition a minimum of 95% of raw materials with *status* EcoSocial IBD or similar, the 5% remaining may come from non certified sources.
- e) The Fair Trade products approved through re-certification process by IBD are considered similar. For the Fair Trade norms which do not demand the establishing of Management Commission, setting of Ground Zero and implanting of Ongoing Improvement Programs, these criteria will be required in the re-certification process;
- f) There are special labeling conditions for products using between 95% and 50%, minimum, of certified raw materials. This products may have in the main label the expression “**made with EcoSocial ingredients**”, and hold the EcoSocial Seal, and indicate clearly the products certified by IBD, with the same lettering, color and size as the others indicated in the list, besides the conditions mentioned in the previous items, observing that:
 - There should not have the same product, certified and non-certified;
 - The application of the IBD Seal is restricted to the list of certified raw materials, in a clear and exclusive form, so as not to induce to interpretation errors as to the product certification and the other raw materials.
- g) Products with less than 50% certified raw material cannot use the EcoSocial Seal on their packages.

ECOSOCIAL CERTIFICATION PROGRAM

- h) Manufacturers of the “Ingredients Claim” category cannot use the EcoSocial seal, independently of the percentage of EcoSocial certified ingredients in the final product composition.
- i) Sponsors can use the EcoSocial seal if they are fully audited to, and compliant with minimum criteria.
- j) All tags and **labels and packages** of IBD certified products must be previously submitted to approval by IBD before their presentation to the public, be it for trading, or test, because they must:
 - Comply with current legislation in the country of consumption, in what refers to compulsory information to be given in labels;
 - Mention clearly the name and address of the legally responsible persons for the product, as well as the way to obtain further information and consumer support for comments, suggestions and complaints;
 - List clearly in order of percentage participation in the composition, all IBD certified products, all non certified ingredients, all additives or processing aids used, as well as the methodology of food processing;
 - For calculation purposes of composition, it must be used the relative weight of each raw material used divided by the net weight of the final processed product, excluding from the calculation water and salt added into the process. If necessary, the values may be rounded to the full inferior percentage value;
 - Identify, generally, herbs and spices when they amount to less than 2% of total composition;
 - Display the word “EcoSocial” and similar, as well as the statement of certified ingredients percentage in the label, in lettering not exceeding half the size of the biggest letter printed on the label;
 - Inform, next to the IBD Seal, the Project code for the farm, association or company.

1.6.3. EcoSocial labeling categories for multi-ingredients products:

SEAL CATEGORY	REQUIREMENTS	LABELING RESTRICTIONS
IBD EcoSocial	95% of ingredients are EcoSocial certified or equivalent.	EcoSocial Seal of certification may be used in the front or back label.

ECOSOCIAL CERTIFICATION PROGRAM

<p>Made with EcoSocial ingredients</p>	<p>Between 95% and 50% of ingredients are EcoSocial certified or equivalent.</p>	<p>The Seal of certification in the front or back label with the expression “made with EcoSocial ingredients”.</p>
<p>Less than 50% EcoSocial ingredients</p>	<p>Less than 50% of ingredients are EcoSocial certified or equivalent. Percentage of EcoSocial ingredients must be indicated below the list of ingredients.</p>	<p>The Seal of certification can never be used in the front label, the back label, not even in the list of ingredients.</p> <p>Only the expression “Product certified EcoSocial IBD” may appear next to the certified ingredient.</p>

1.6.4. EcoSocial certification for non-agricultural products:

- a) For **non-agricultural products** – cosmetics, textiles, manufactured, forestry and others – it is followed the same guideline as for item 1.6.3.

ECOSOCIAL CERTIFICATION PROGRAM

2. DEVELOPMENT CRITERIA:

Part 2 of this Guideline presents the criteria for economical, human, social and environmental development, grouped by category of enterprise, as described in item 1.2.1.

2.1. DEVELOPMENT CRITERIA FOR INDIVIDUAL ENTERPRISES

2.1.1. Economical Development Criteria:

The Fair Trade approach to business is an international initiative aiming to improve the conditions of human, social, environmental and economical development lived by groups of producers and journeymen in development countries.

“Fair Trade” means that there is a trusting relationship among the one who sells and the one who buys, where the trading commitments are taken on the long run, price negotiations are open and the Premium obtained from this initiative is invested in the social and environmental development of producers or workers.

In the EcoSocial Program is expected that, on partaking a Fair Trade process, enterprises become more apt to improve living and working conditions of journeymen and producers involved in the process, as well as the environmental condition also improves, aiming to minimize the impacts and improve environment conservation.

Going further in the trading relationships professed by the EcoSocial System, it is expected that all human beings involved in this process also develop, in other words, become conscious of the social, environmental and economical questions in their surrounding, becoming able to become agents of improvement in their own and their neighbors' lives, with freedom and autonomy.

EcoSocial brings innovations to the traditional Fair Trade concept. In EcoSocial the certifier does not establish the minimum price nor the Premium value. Product prices must be connected to production costs and to the market negotiations, the latter having to happen according to ethical principles, guaranteeing clarity, transparency and benefits to the producers. The value of the EcoSocial Premium is determined by the needs of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point where the EcoSocial differs from other Fair Trade Programs is that its scope applies to any product, and not only to some products for which the Premium and minimum prices have already been defined.

To be EcoSocial certified, besides the environmental, human and social development criteria prescribed in this norm, projects must prove that the principles and the practice of Fair Trade are present in the trading relations that they take part. This Guideline establishes different criteria for economical development for each category of enterprise, all them are considered **minimum** in the EcoSocial Program.

ECOSOCIAL CERTIFICATION PROGRAM

ECONOMICAL DEVELOPMENT – FAIR TRADE	
FOR INDIVIDUAL ENTERPRISES	
Minimum Criteria	Indicators
a) The corporate socio-environmental responsibility is explicit in the enterprise’s mission and policy.	<ul style="list-style-type: none"> • The board incorporates the concept of Fair Trade and Socio-Environmental Development in the enterprise’s business plans. • Board and coworkers meet to discuss about the benefits of Fair Trade and the socio-environmental projects going on in the enterprise.
b) The enterprise must organize a Management Commission , representing the direction and the coworkers of the different sectors, with the purpose to execute the management of the Program..	<ul style="list-style-type: none"> • The company must prove that this Commission exists, and that it is representative and functions as manager of the EcoSocial Program.
c) The employer must prove that the Premium paid to the products will return in benefit of the socio-environmental development programs being implanted in the enterprise.	<ul style="list-style-type: none"> • All purchase and sale contracts must be in writing, containing information that demonstrates the price and the product Premium due to the Fair Trade. The Premium acceptance by IBD depends on the following: • When the investment in the EcoSocial Program is absorbed by the enterprise itself, without apportionment of this costs with final buyers, the demand before mentioned is void.. • Besides that, the enterprise must present an Investment Plan for this Premium, in the human and environmental development of the projects, along the certification year, showing congruence of this Plan with the attainment of the minimum and progress criteria in execution. • The enterprise must prove that the paid workers are taking part in the definition of the Premium application . • The Premium cannot be used to cover current costs in the enterprise.
d) A quality management system , effective and adequate to the size and nature of the enterprise, must be designed and established during the first year of certification.	<ul style="list-style-type: none"> • Design of quality plans and procedures. • Proof that these plans and procedures are working.
e) A socio-environmental management system , effective	<ul style="list-style-type: none"> • Design and establishment of plans aiming to improve the social management of the

ECOSOCIAL CERTIFICATION PROGRAM

<p>and adequate to the size and nature of the enterprise must be established during the first two years of certification.</p>	<p>enterprise: labor aspects, health and work safety aspects, improvement in the relationship with the surrounding community, among others of contextual relevance.</p> <ul style="list-style-type: none"> • Design and establishment of plans aiming to improve the enterprise's environmental management: environment conservation and recovery, environmental education, management of residues and effluents, among others of contextual relevance.
---	--

2.1.2. Human and Social Development Criteria:

It is desirable that enterprises invest in the social development and in the improvement of working conditions of workers, assuring access to basic rights and providing the social benefits necessary for individual and communal well being. The enterprises must guarantee chance of participation, to the concerning parties, as to their management – from the definition and execution of the socio-environmental development programs, to. The questions related to Fair Trade – supporting learning and the human development of people involved.

Child labor, forced labor, as well as any action with discriminatory character are forbidden in certified farms and companies. Workers and producers must have adequate and safety conditions of work, as well as a fair pay, being so that all those **criteria** are considered **critical** in this Norm. Norma.

The **minimum criteria** of **human and social development** are more directly related to **working conditions**. Yet, the **progress criteria** try to promote improvements in the **living conditions** of workers and producers, entering into aspects such as housing, food, education family health, among others.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development.

HUMAN AND SOCIAL DEVELOPMENT	
FOR INVIDUAL ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Minimum criteria:	Indicators:
a) The enterprise must comply with all current labor legislation or (item b).	<ul style="list-style-type: none"> • The enterprise must hire directly its workers, through registry or formal contract, as established in the Labor Legislation of the country;

ECOSOCIAL CERTIFICATION PROGRAM

	<ul style="list-style-type: none"> • This contract must establish the amount of pay, the work journey, labor rights and obligations, function description, among other information to guarantee transparency in the hiring process; • CRITICAL: The wage value must be the same or above the regional average, according to the established in workers Agreements, Collective Agreements, or the specific national legislation; • In cases where the gain is per production, the monthly amount cannot be below the established in the item before; • Workers must have clarity about what is their salary, including when the gain is per production; • The number of hours worked weekly, as well as the week paid rest time, must be in compliance with the established in specific legislation; • Payment of extra hours must happen according to the legislation; • Hiring foreigners must be conditioned to working permits, issued by the due government agency.
<p>b) The enterprise must have an adjustment program towards the established in current labor laws.</p>	<p>For each aspect of labor legislation which is not being complied with, an Adaptation Program must be established, with goals and terms clear and measurable.</p>
<p>c) The enterprise must comply with the work safety norms related to its type of activity, or item “e”.</p>	<ul style="list-style-type: none"> • Work risks must be identified and monitored in all working areas. CRITICAL: The enterprise must reduce to a minimum the exposure of workers to working risks, through reduction in source and using safety equipment. • Employers will offer working qualification to workers, increasing the level of understanding about their function, risks related to it, as well as the individual and collective preventive or emergent safety measures to be adopted; • Areas with higher potential risks, like supply and storage of fuels, stocking of inputs, distilleries, steam boilers, dryers,

ECOSOCIAL CERTIFICATION PROGRAM

	<p>turbines, among others, must have a substantial safety management: map of risk and safety measures visible, exit route, emergency procedures, orientation on first aid, among other procedures with the purpose to minimize exposure of workers to risks.</p> <ul style="list-style-type: none"> • The enterprise must make available personnel, material, machines and equipments necessary to prevent and attend different types of emergencies, in all work fronts, first aid kits, aides, fire brigades, fire extinguishers, water tanks, means of communication at long distance, among others.
<p>d) The enterprise must have a program of improvement in salubrity at work, or item “e”.</p>	<ul style="list-style-type: none"> • The enterprise must establish the health measures provided by Law. • A Worker Health Management System must be established, detailing: <ul style="list-style-type: none"> - Periodicity an Type of medical exams to be performed; - Preventive and curative measures so as to attend emergencies and work accidents; - Qualification and training so as to improve workers health. • Workers must have access to health support services during the whole work journey
<p>e) The enterprise must design a program to adjust to what is provided by Law.</p>	<p>For each aspect in health and safety which is not complying with the provided in Law, an Adjustment Program with goals and clear and measurable terms of time.</p>
<p>f) All workers must have Access to potable water and clean sanitary installations.</p>	<p>Enterprises must provide potable water and clean sanitary installations accessible for all workers.</p>
<p>g) When workers reside in the work environment, housing must offer adequate living and safety conditions.</p>	<ul style="list-style-type: none"> • Houses must offer fair conditions of use and basic sanitary installations, as well as being in a good state of conservation. • When housing is not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of housing. • Houses must be provided with basic sanitation, garbage collection, sewage installations and potable water.

ECOSOCIAL CERTIFICATION PROGRAM

	<ul style="list-style-type: none"> • If the services mentioned before are not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of service.
h) In case the enterprise provides meals to workers , the food will have to be nutritious and clean so as to guarantee good health to workers..	<ul style="list-style-type: none"> • The nutritious and sanitary conditions of meals will have to be managed by the responsible people in the enterprise.
i) The farm/enterprise must allow unionized labor of workers.	<ul style="list-style-type: none"> • Workers must have the right of union association, without any consequences as discrimination, or any other type of coercion to inhibit the union association.
j) CRITICAL: The group must make sure that no form of discrimination happen in the course of production.	<p>Certified enterprises must have a clear policy restraining discrimination and coercive practices, such as:</p> <ul style="list-style-type: none"> • Corporal or mental punishment or verbal abuse. • Sexual harassment; • Dismissal or discrimination of workers who seek any complaint procedure. • Any kind of racial, color, religion, gender, among others, discrimination.
k) CRITICAL: It is forbidden any kind of child labor ..	<ul style="list-style-type: none"> • It is forbidden any kind of labor to minors of 18 years old, harmful to their health, and in disagreement to specific labor statutes supporting children and adolescents. • In traditional and indigenous communities where child labor is related to cultural learning, it may be permitted the participation of minors at work, provided their physical and psychologic integrity is guaranteed, without refraining their right to infancy and access to schooling.
l) CRITICAL: It is forbidden any form of forced labor .	<p>It is vetoed the presence of people working in inadequate conditions to their physical, emotional, and mental health, as well as without the adequate reward to the work performed.</p>
m) The enterprise must be committed to transparency , organizing a Social and Environmental Management	<ul style="list-style-type: none"> • The enterprise will provide adequate information to the interested parties, related to the relevant environmental,

ECOSOCIAL CERTIFICATION PROGRAM

System, accessible to all parts involved	<p>social, and legal aspects of EcoSocial Program, in language and form adequate to allow an effective participation in the decision making process.</p> <ul style="list-style-type: none"> • The enterprise will create and maintain documents with the purpose to bring transparency to its environmental and social management.
n) CRITICAL: The right of access to land use must be demonstrated.	<ul style="list-style-type: none"> • The enterprise must run on lawful property. • Conflicts arising from land ownership must be solved legally, guaranteeing rights acquired by traditional communities, smallholders and other ethnical and social minorities, as well as other lawful landowners.

HUMAN AND SOCIAL DEVELOPMENT	
FOR INDIVIDUAL ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Progress criteria	Indicators:
a) Implantation of an appropriate system of people management to favor workers training and development, as well as the furtherance of a working environment favorable to individual and collective welfare.	<ul style="list-style-type: none"> • Existence of human development and qualification programs.; • Execution of actions to improve work environment and human inter relationships; • Other programs related to people management.
b) Implantation of a Profit Sharing Scheme .	Implantation of schemes by work goals, proportional participation, etc.
c) Execution of program to improve the educational level of workers.	<ul style="list-style-type: none"> • Programs to erradicate illiteracy; • Basic Education programs; • Complementary Education Programs; • Other benefits related to schooling, scholarships, furhter schooling courses, etc. • Building an educational infrastructure; • Acquisition of education/school

ECOSOCIAL CERTIFICATION PROGRAM

	<p>equipments and materials;</p> <ul style="list-style-type: none"> • Others.
d) Promoting improvements in housing conditions (when having farm villages) for workers.	<ul style="list-style-type: none"> • Supply of potable water, sanitation; • Improvement of conditions in houses. • Supply of electric power; • Others. • Outros.
e) Promoting improvements in nourishment conditions of workers.	<ul style="list-style-type: none"> • Building refectories/supply of meals; • Feed re-education program; • Structuring communal plantations in idler areas; • Implementing house vegetable gardens; • Sharing of food basics; • Other initiatives.
f) Promoting improvements in health conditions of all workers.	<ul style="list-style-type: none"> • Local medical support; • Medical insurance covering consultations, exams and hospital; • Dental insurance; • Spectacles support; • Programs to reduce addictions on spirits and tobacco; • Others.
g) Implantation of Programs of support to the working woman.	<ul style="list-style-type: none"> • Building of day care unit; • Program of activities and medical support for pregnant women; • Brest feeding orientation and support; • Other programs.
h) Expansion of benefits generated by all programs to part-time workers and crop workers.	Expand to part-time workers the benefits offered to permanent workers.
i) Implantation of programs of support to the aged.	<ul style="list-style-type: none"> • Medical support Programs to the aged; • Orientation and support as to retirement; • Supply of transportation, food, housing, etc.
j) Other programs socially relevant suggested by the company itself.	Ongoing Programs..

ECOSOCIAL CERTIFICATION PROGRAM

2.1.3.Environmental Development Criteria for Individual Enterprises:

It is expected that certified enterprises promote **environmental conservation** and the **sustainable management of natural resources** – soil, water, air, fauna and flora, seeking to harmonize economic development to environmental development.

In certified farms and companies it is forbidden the use of Organisms Genetically Modified – GMO, wild animals hunting, non authorized deforestation and release of effluents and residues without treatment in water bodies, and these are all **critical criteria** in these Guidelines.

As **minimum criteria** it is wished the **compliance with national environmental legislation**, and, as **progress criteria**, the definition of actions seeking to **minimize environmental impacts** caused by the operation and **promote environmental conservation**.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development

ENVIRONMENTAL DEVELOPMENT	
FOR INDIVIDUAL ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Minimum criteria:	Indicators:
a) Enterprises must be regularized along the environmental agencies .	<ul style="list-style-type: none"> Enterprises liable to Environmental Licensing must be duly Licensed to Operate, pursuant the established in Law..
b) The enterprise will have to be in conformity to the current environmental legislation as to the (PPA) – Permanent Preservation Areas, and the (LRs) – Legal Reservations, (or item c).	<ul style="list-style-type: none"> The operation must have a Legal Reserve that is registered by the Public Notary, in accordance with legal requirements. Permanent Preservation Areas (PPA) must be clearly defined and protected from use. Any intervention in PPA and LR areas must respect legal regulations¹.
c) The use of natural resources (water, air, soil, forests, mineral ores) must be regularized along official agencies or (item c).	<ul style="list-style-type: none"> The use and management of natural resources must happen according to the laws and regulations about the matter, stressing on the need of licenses, authorizations, grants,

¹ See definition for PPA and LR in Appendix I in this Guidelines.

ECOSOCIAL CERTIFICATION PROGRAM

	<p>ordinances, among other legal instruments, providing an environmental management legally supported and according to principles of sustainability and ecological basis.</p> <ul style="list-style-type: none"> • CRITICAL: It is vetoed the deforestation non- authorized by the due authority and without a technical, juridical and economic justification, supporting this necessity. • Certified enterprises must invest in management forms and technologies that reduce the need to use natural resources, as well as all waste and loss in the productive process.
d) The enterprise must have a program to comply with the established in Law.	Always that an environmental minimum criteria is not being attended, an Adjustment Program aiming to eliminate the non conformities, with defined timing and goals, must be designed and implemented.
e) Agricultural management must allow conservation of soil fertility and structure.	<ul style="list-style-type: none"> • Agricultural management must happen so that soil structure and fertility are maintained. • Soil structure and fertility must be periodically assessed and evaluated.
f) The enterprise will avoid using fire .	The use of fire will only happen when is the only viable option, taking the due safety measures of social, environmental measures and above all, the procedure must be authorized by the due agencies.
g) CRITICAL: The enterprise does not cultivate and manipulates any GMO products.	It is forbidden the use of Organisms Genetically Modified in the property or the use of inputs which are or have any percentage of GMO.
h) CRITICAL: It must be forbidden hunting, capture and trading of wild animals.	It is forbidden hunting, capturing and trading of wild animals, being justified only when this practice is linked to the basic feeding of traditional and indigenous populations.
i) In case there are farm villages, the enterprise must provide dwellers with good conditions of basic sanitation measures.	<ul style="list-style-type: none"> • Houses must have full sewerage installations. • Houses must have a system of collection and disposal of solid residues. • Houses must be supplied with potable water.
j) The enterprise must implant a System of Management of Solid	<ul style="list-style-type: none"> • The way of discarding and/or treating the solid residues generated in the

ECOSOCIAL CERTIFICATION PROGRAM

<p>Residues guaranteeing the final destination and correct treatment of residues generated in the productive process.</p>	<p>production system must be in compliance with current legislation and authorized by the due environmental agency when applicable.</p> <ul style="list-style-type: none"> • Hazardous residues as oils, fats, batteries, IPEs and others must receive special attention. • The place of final destination must be operated according to legislation and bear an Environmental License, when applicable.
<p>k) A System for Liquid Effluents Management must be implanted, to guarantee the final destination and correct treatment of effluents generated in the productive process.</p>	<ul style="list-style-type: none"> • CRITICAL: The way of discarding and/or treating liquid effluents originated in the productive process must be in accordance with current legislation and authorized by the due Environmental Agency, when applicable. • In the case of launch of effluents in water bodies, the enterprise must have the proper conferment of the environmental agency and must monitor periodically the quality of the effluent and the receiving body.
<p>l) The enterprise must design and implant a Gaseous Effluents Management System, in conformity with the established by law.</p>	<ul style="list-style-type: none"> • Gaseous effluents launched in the atmosphere must follow Standards regulated by Laws and Deliberations of the Environmental Agencies. • The enterprise must monitor periodically the quality of the effluent so as to guarantee that it is according to the standards.

ENVIRONMENTAL DEVELOPMENT	
FOR INDIVIDUAL ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Progress criteria	Indicators:
<p>a) Implantation of a program aiming to optimize the use of energy resources.</p>	<ul style="list-style-type: none"> • Programs to reduce losses in the system; • Programs to reduce the use of non renewable sources of energy;

ECOSOCIAL CERTIFICATION PROGRAM

	<ul style="list-style-type: none"> • Other initiatives.
b) Reduction in the generation of Solid Residues.	<ul style="list-style-type: none"> • Implantation of a Solid Residues Management Program to reduce discard/waste of byproducts and spinoffs in the activity; • Programs to reduce Consumption and Generation of Residues; • Other Programs.
c) Optimization of Water Resources.	Program aiming to optimize the use of water resources (reduction of losses in the system) and reduction of catchment demand.
d) Improvement in management and conservation of soil structure and fertility.	<ul style="list-style-type: none"> • Programs to recover eroded areas, recovery of contour lines; • Pursuance of practices aiming the recovery of soil structure and fertility • Others.
e) Increment of biodiversity.	Programs of biodiversity increment, like green barriers rich in biodiversity, ecological corridors, increase in forest reservation areas, among other initiatives aiming to improve the local biota.
f) Development of genetic material.	Program of Development of genetic material adequate and the building of a seed bank (Individual or communal).
g) Promotion of Environmental Education.	Program of Environmental Education seeking to raise the consciousness of workers, communities, among other actors, direct or indirectly related to the enterprise.
h) Reduction in the Emission of Green House Effect Gases.	Program aiming to map the emissions and design a plan to reduce the emission of Green House Effect gases.
i) Environmental impact generated by packages of certified products.	Program to reduce the environmental impacts generated from the option made in the packing chosen by the enterprise.
k) Another environmental program to be suggested by the company.	On-going program.

ECOSOCIAL CERTIFICATION PROGRAM

2.2. DEVELOPMENT CRITERIA FOR COLLECTIVE ENTERPRISES:

2.2.1. Economic Development Criteria:

The practice of Fair Trade is an international initiative aiming to improve the conditions of human and social, environmental and economical development lived by groups of producers and paid workers in development countries.

“Fair Trade” means that there is a trusting relationship between the one who buys and the one who sells, where trading commitments reach a long range, price negotiations are open and the Premium gotten from this initiative is invested in the social and environmental development of producers and journeymen.

In EcoSocial it is expected that, in participating if Fair Trade, enterprises become able to improve living and working conditions of journeymen and producers involved in the process, as well as to improve their environmental quality, seeking to minimize impacts and environment conservation.

Going further in the commercial relationships preconized by EcoSocial System, it is expected that the human beings involved in this process also develop, in other words, become conscious of social environmental and economical questions around them, be able to pro-actively act in the improvement of their own and their neighbors’ lives, autonomously and freely.

EcoSocial brings innovations to the traditional Fair Trade concept. In EcoSocial the certifier does not establish the minimum price nor the Premium. The price of the product must be linked to production costs and market negotiations, the latter happening according to ethical principles, guaranteeing clarity, transparency and benefits to producers. The value of the EcoSocial Premium is determined by the necessities of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point where EcoSocial differs from other Fair Trade Certification Programs is that its scope applies to any product and not only to some certain products for which the minimum price and the Premium have already been defined.

To be IBD EcoSocial certified, besides the social, environmental and human development criteria prescribed in this norm, the projects must prove that the principles and the Fair Trade practices are present in trading relations where they participate. These Guidelines establish different criteria for economic development for each category of enterprise, and all them are considered minimum criteria.

ECONOMIC DEVELOPMENT – FAIR TRADE	
FOR COLLECTIVE ENTERPRISES	
Minimum criteria:	Indicators:
a) Corporate socio-environmental responsibility is explicit in the group mission and policy .	• The group incorporates the concepts of Fair Trade and Socio-Environmental Development in the business plans of the company.

ECOSOCIAL CERTIFICATION PROGRAM

	<ul style="list-style-type: none"> • Partners meet to discuss about the benefits of Fair Trade and the socio-environmental projects in execution in the enterprise.
<p>b) The enterprise must organize a Management Commission representing the different sectors, with the purpose to manage the Program.</p>	<ul style="list-style-type: none"> • The group must prove that this Commission exists, it is representative, and works as the manager of EcoSocial Program
<p>c) The direction of the enterprise must prove that the Premium paid for the products will be used in benefit of the socio-environmental development programs.</p>	<ul style="list-style-type: none"> • All trade contracts must be done in writing, containing information that demonstrates the price and the Premium for the product, deriving from the Fair Trade. • When the investment in the EcoSocial Programs is absorbed by the enterprise itself, without any apportionment of the costs with the final buyers, the requirement mentioned in the previous item falls. • Besides, the enterprise must present an Investment Plan for the Premium in the social, human and environmental development of the projects, along the certification year, demonstrating agreement of this Plan with the attainment of the minimum and progress criteria in execution. • The enterprise must prove the participation of people in the definition of the use of the Premium. • The Premium cannot be used to cover current costs in the enterprise.
<p>d) A quality management system, effective and adequate to the size and nature of the enterprise, must be designed and implemented during the first year of certification.</p>	<ul style="list-style-type: none"> • Elaboration of quality plans and procedures. • Prove the functioning of this plans and procedures.
<p>e) A socio-environmental management system, effective and adequate to the size and nature of the enterprise, must be designed and implemented during the first two years of certification.</p>	<ul style="list-style-type: none"> • Elaboration and implantation of plans aiming to improve the social management of the enterprise: labor aspects, health and work safety, improvement in the relationship with the surrounding community, among others of contextual relevance. • Elaboration and implantation of plans aiming to improve the environmental management of the enterprise: conservation and environmental recovery aspects, environmental education,

ECOSOCIAL CERTIFICATION PROGRAM

	management of residues and effluents, among others of contextual relevance.
--	---

2.2.2. Criteria for Human and Social Development:

It is desirable that enterprises invest in social development and improvement of working conditions of workers and journeymen, guaranteeing access to the basic rights and granting the social benefits necessary to the individual and communal welfare. Enterprises must guarantee opportunity of participation to the concerned parties, as to their management – from the definition and execution of the socio-environmental development programs to the questions related to Fair Trade – favoring learning and the human development of actors involved.

Child and forced labor is vetoed in certified enterprises, as much as any other action with discriminatory character. To workers and producers must be guaranteed safe and adequate conditions of work, as well as a fair remuneration, and all these criteria are considered critical in these Guidelines.

The minimum criteria of human and social development are more directly related to working conditions. Now, the progress criteria seek also to promote improvements in living conditions of workers and producers, getting into questions like housing, nourishment, education, family health, among others.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development

HUMAN AND SOCIAL DEVELOPMENT	
FOR COLLECTIVE ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Minimum criteria:	Indicators:
a) The group must establish a collective juridical structure – Association or Coop – with Statutes and other documents that regulate the functioning of this structure or (item c).	<ul style="list-style-type: none"> In the maximum time of two years counting from the date of the first EcoSocial inspection the group must get organized through a juridical collective structure.
b) The running of this group must be democratically constituted or (item c).	<ul style="list-style-type: none"> The Coop statutes must foresee articles for the democratic functioning, guaranteeing transparency in the enterprise management.

ECOSOCIAL CERTIFICATION PROGRAM

<p>c) The group must have a program to adjust to the established in items “a” and “b”.</p>	<ul style="list-style-type: none"> • Adjustment programs must be implanted, in case items “a” and “b” are not being complied with.
<p>d) At least 60% of producers must be attended by a Technical and Organizational Support System².</p>	<ul style="list-style-type: none"> • In a time of up to one year counting from the date of the first EcoSocial inspection, the group must implant a Technical and Organizational Support System, offering qualifications to the associates.
<p>e) In case the associates linked to the group hire employees, this hiring must be in conformity with current labor legislation or (item f).</p>	<ul style="list-style-type: none"> • The group must hire directly its workers, through a formal contract or registration, as established by current laws in the country in question; • This contract must establish the wage value, the working journey. Labor rights and obligations, description of function, among other information to guarantee transparency to the contracting process. • CRITICAL: The wage value of workers must be equal or higher than the regional average, according to the established in Agreements or by the current labor specific legislation. • In cases of pay per production, the month value cannot be inferior to the established in the previous item. • Workers must have clarity about the value of their salary, inclusive when they gain per production. • The number of hours worked weekly, as well as the week paid resting, must be in accordance with the specific legislation. • The pay for extra hours must be in accordance to legislation. • Hiring foreigners must be conditioned to the working permit, issued by the due government agency.
<p>f) The group must have an adjustment program towards the established in current labor laws.</p>	<p>For each aspect of labor legislation which is not being complied with, an Adaptation Program must be established, with goals and terms clear and measurable.</p>

² The technical assistance is defined as the supply of services by one or more qualified technicians, specialized in the crops in question, capable to ensure producers involvement, and to counsel them in the overall production (soil preparation, sowing, fertilization, follow up of crop development, harvesting, technology for a first processing). The technician(s) must visit regularly the production region and supply appropriate instructions to producers, as well as secure assistance along the production term and harvest. The entirety of this visits must be documented(visits report).

ECOSOCIAL CERTIFICATION PROGRAM

<p>g) Working conditions in the group must comply with the norms for work safety related to the type of activity or item “h”.</p>	<ul style="list-style-type: none"> • Work risks must be identified and monitored in all working areas. • CRITICAL: The enterprise must reduce to a minimum the exposure of workers to working risks, through reduction in source and using safety equipment. • Employers will offer working qualification to workers, increasing the level of understanding about their function, risks related to it, as well as the individual and collective preventive or emergent safety measures to be adopted; • Areas with higher potential risks, like supply and storage of fuels, stocking of inputs, distilleries, steam boilers, dryers, turbines, among others, must have a substantial safety management: map of risk and safety measures visible, exit route, emergency procedures, orientation on first aid, among other procedures with the purpose to minimize exposure of workers to risks. • The group must make available personnel, material, machines and equipments necessary to prevent and attend different types of emergencies, in all work fronts, first aid kits, aides, fire brigades, fire extinguishers, water tanks, means of communication at long distance, among others.
<p>h) The group must have a program of improvement in salubrity at work, or item “e”,</p>	<ul style="list-style-type: none"> • The group must establish the health measures provided by Law. • A Worker Health Management System must be established, detailing: <ul style="list-style-type: none"> - Periodicity an Type of medical exams to be performed; - Preventive and curative measures so as to attend emergencies and work accidents; - Qualification and training so as to improve workers health. • Workers must have access to health support services during the whole work journey
<p>i) The group must design a program to adjust to what is provided by law.</p>	<p>For each aspect in health and safety which is not complying with the provided in Law, an</p>

ECOSOCIAL CERTIFICATION PROGRAM

	Adjustment Program with goals and clear and measurable terms of time.
j) All producers must have access to potable water and clean sanitary installations.	Enterprises must provide potable water and clean sanitary installations accessible for all workers.
k) When producers reside in the work environment , housing must offer adequate living and safety conditions	<ul style="list-style-type: none"> • Houses must offer fair conditions of use and basic sanitary installations, as well as being in a good state of conservation. • When housing is not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of housing. • Houses must be provided with basic sanitation, garbage collection, sewage installations and potable water. • If the services mentioned before are not free, the value to be paid must correspond to the same amount practiced in the surrounding area for the same kind of service.
l) In case the group provides meals to workers , the food will have to be nutritious and clean so as to guarantee good health to workers..	<ul style="list-style-type: none"> • The nutritious and sanitary conditions of meals will have to be managed by the responsible people in the enterprise.
m) The farm/association must allow access to labor union of workers.	<ul style="list-style-type: none"> • Workers must have the right of union association, without any consequences as discrimination, or any other type of coercion to inhibit the union association.
n) CRITICAL: The group must make sure that no form of discrimination happen in the course of production.	<p>Certified groups must have a clear policy restraining discrimination and coercive practices, such as:</p> <ul style="list-style-type: none"> • Corporal or mental punishment or verbal abuse. • Sexual harassment; • Dismissal or discrimination of workers who seek any complaint procedure. <p>Any kind of racial, color, religion, gender, among others, discrimination.</p>
o) CRITICAL: It is forbidden any kind of child labor .	<ul style="list-style-type: none"> • It is forbidden any kind of labor to minors of 18 years old, harmful to their health, and in disagreement to specific labor statutes supporting children and adolescents.

ECOSOCIAL CERTIFICATION PROGRAM

	<ul style="list-style-type: none"> In traditional and indigenous communities where child labor is related to cultural learning, it may be permitted the participation of minors at work, provided their physical and psychologic integrity is guaranteed, without refraining their right to infancy and access to schooling.
p) CRITICAL: It is forbidden any form of forced labor .	It is vetoed the presence of people working in inadequate conditions to their physical, emotional, and mental health, as well as without the adequate reward to the work performed
q) The group must be committed to transparency, organizing a Social and Environmental Management System, accessible to all parts involved	<ul style="list-style-type: none"> The group will provide adequate information to the interested parties, related to the relevant environmental, social, and legal aspects of EcoSocial Program, in language and form adequate to allow an effective participation in the decision making process. The group will create and maintain documents with the purpose to bring transparency to its environmental and social management.
r) CRITICAL: The right of access to land use must be demonstrated.	<ul style="list-style-type: none"> The group must run on lawful property. Conflicts arising from land ownership must be solved legally, guaranteeing rights acquired by traditional communities, smallholders and other ethnical and social minorities, as well as other lawful landowners.

HUMAN AND SOCIAL DEVELOPMENT	
FOR COLLECTIVE ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Progress criteria	Indicators:
a) The group must have a program to improve the conditions of technical support to producers.	<ul style="list-style-type: none"> Qualification Programs; Technical visits and continuing technical support;

ECOSOCIAL CERTIFICATION PROGRAM

	<ul style="list-style-type: none"> • Supply of material and productive infra-structure.
<p>b) The group must always aim the broad and conscious social participation of its members, promoting qualification and fostering autonomy and freedom of the actors involved.</p>	<ul style="list-style-type: none"> • There must be Qualification. • Group dynamics must happen aiming to expand the level of conscience about living and working conditions and the social participation. • Other initiatives.
<p>c) The group must try to foster the training and development of its members, as well as the existence of a work environment favorable to the individual and collective welfare.</p>	<ul style="list-style-type: none"> • There must have programs aiming qualification and human development; • Development of actions aiming to improve working environment and interrelationships, among others.
<p>d) The Direction of the group/association must organize so that the information about the programs existing in EcoSocial reach all associates, besides stimulating the collective participation in the execution of the projects and the definitions related to the subject.</p>	<ul style="list-style-type: none"> • The group must develop activities aiming to broad the knowledge of associates about the socio-environmental management, as well as the EcoSocial Guidelines.
<p>e) The group must have a program to improve the educational level of producers.</p>	<ul style="list-style-type: none"> • Programs to eradicate illiteracy. • Programs to improve Basic and Complementary Education; • Provision of means to incentive education, as, for example, transportation, scholarships; payment of improvement courses for producers; • Building of infrastructure and supply of school material; • Others.
<p>f) The group must have a program to improve housing conditions of producers.</p>	<ul style="list-style-type: none"> • Supply of potable water, sanitation; • Improvement of conditions in houses. • Supply of electric power; • Others.

ECOSOCIAL CERTIFICATION PROGRAM

<p>g) Promoting improvements in nourishment conditions of workers.</p>	<ul style="list-style-type: none"> • Building refectories/supply of meals; • Feed re-education program; • Structuring communal plantations in idler areas; • Implementing house vegetable gardens; • Sharing of food basics; • Other initiatives.
<p>h) Promoting improvements in health conditions of all workers.</p>	<ul style="list-style-type: none"> • Local medical support; • Medical insurance covering consultations, exams and hospital; • Dental insurance; • Spectacles support; • Programs to reduce addictions on spirits and tobacco; • Others.
<p>i) Implantation of Programs of support to the working woman.</p>	<ul style="list-style-type: none"> • Building of creche/day care unit; • Program of activities and medical support for pregnant women; • Brest feeding orientation and support; • Other programs.
<p>j) The group must have programs to generate benefits to the families of associates.</p>	<ul style="list-style-type: none"> • Programs of Road construction; • Supply of infrastructure, equipments; • Etc.
<p>k) Implantation of programs of support to the elder people.</p>	<ul style="list-style-type: none"> • Medical support Programs to the elder people; • Orientation and support as to retirement; • Supply of transportation, food, housing, etc.
<p>l) Other programs socially relevant suggested by the group itself.</p>	<p>Ongoing Programs.</p>

ECOSOCIAL CERTIFICATION PROGRAM

2.2.3. Criteria for Environmental Development:

It is expected that certified groups promote **environmental conservation and the sustainable management of natural resources** – soil, water, air, fauna and flora – as principles to the initiative management, seeking to harmonize economic development to environmental development.

In certified farms and companies it is forbidden the use of Genetically Modified Organisms – GMO, wild animals hunting, non authorized deforestation and release of effluents and residues without treatment in water bodies, and these are all **critical criteria** in these Guidelines.

As **minimum criteria** it is wished the **compliance with national environmental legislation**, and, as **progress criteria**, the definition of actions seeking to **minimize environmental impacts** caused by the operation and **promote environmental conservation**.

It should be noted that, in order to be certified, the operation must comply with **minimum criteria**, as well as maintain ongoing programs with the objective of fulfilling at least **two progress criteria** related to social and human development

ENVIRONMENTAL DEVELOPMENT	
FOR COLLECTIVE ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Minimum criteria:	INDICATORS
a) Groups must be regularized along the environmental agencies .	<ul style="list-style-type: none"> In 1 year, counting from the date of first inspection, 60% of associates must have their land Licensed for Operation, according to the established in Law, when applicable.
b) The group will have to be in conformity to the current environmental legislation as to the (PPA) – Permanent Preservation Areas, and the (LRs) – Legal Reservations, (or item c).	<ul style="list-style-type: none"> At least 60% of the group must have a Legal Reserve that is registered by the Public Notary. (PPAs) – Permanent Preservation Areas must be hard edged and protected from people’s access. Any action in the PPA and LR areas must follow legal regulations.
c) The use of natural resources (water, air, soil, forests, mineral ores) must be regularized along official agencies or (item d).	<ul style="list-style-type: none"> The use and management of natural resources must happen according to the laws and regulations about the matter, stressing on the need of licenses, authorizations, grants, ordinances, among other legal instruments,

ECOSOCIAL CERTIFICATION PROGRAM

	<p>providing an environmental management legally supported and according to principles of sustainability and ecological basis.</p> <ul style="list-style-type: none"> • CRITICAL: It is vetoed the deforestation non authorized by the due authority and without a technical, juridical and economic justification, supporting this necessity. • Certified groups must invest in management forms and technologies that reduce the need to use natural resources, as well as all waste and loss in the productive process.
d) The group must have a program to comply with the established in Law.	Always that an environmental minimum criteria is not being attended, an Adjustment Program aiming to eliminate the non conformities, with defined timing and goals, must be designed and implemented.
e) Agricultural management must allow conservation of soil fertility and structure.	<ul style="list-style-type: none"> • Agricultural management must happen so that soil structure and fertility are maintained. • Soil structure and fertility must be periodically assessed and evaluated.
f) The group will avoid using fire .	The use of fire will only happen when is the only viable option, taking the due safety measures of social, environmental measures and above all, the procedure must be authorized by the due agencies.
g) CRITICAL: The enterprise does not cultivate and manipulates any products GMO .	It is forbidden the use of Modified Genetically Organisms in the property or the use of inputs which are or have any percentage of GMO .
h) CRITICAL: It must be forbidden hunting, capture and trading of wild animals.	It is forbidden hunting, capturing and trading of wild animals, being justified only when this practice is linked to the basic feeding of traditional and indigenous populations.
i) In case there are farm villages, the group must provide dwellers with good conditions of basic sanitation measures.	<ul style="list-style-type: none"> • Houses must have full sewerage installations. • Houses must have a system of collection and disposal of solid residues. • Houses must be supplied with potable water.
j) The group must implant a System of Management of Solid Residues guaranteeing the final destination and correct treatment of residues	<ul style="list-style-type: none"> • The way of discarding and/or treating the solid residues generated in the production system must be in compliance with current legislation and

ECOSOCIAL CERTIFICATION PROGRAM

generated in the productive process.	<p>authorized by the due environmental agency when applicable.</p> <ul style="list-style-type: none"> • Hazardous residues as oils, fats, batteries, IPEs and others must receive special attention. • The place of final destination must be operated according to legislation and bear an Environmental License, when applicable.
k) A System for Liquid Effluents Management must be implanted, to guarantee the final destination and correct treatment of effluents generated in the productive process.	<ul style="list-style-type: none"> • CRITICAL: The way of discarding and/or treating liquid effluents originated in the productive process must be in accordance with current legislation and authorized by the due Environmental Agency, when applicable. • In the case of launch of effluents in water bodies, the enterprise must have the proper conferment of the environmental agency and must monitor periodically the quality of the effluent and the receiving body.
l) The group must design and implant a Gaseous Effluents Management System , in conformity with the established by law.	<ul style="list-style-type: none"> • Gaseous effluents launched in the atmosphere must follow Standards regulated by Laws and Deliberations of the Environmental Agencies. • The group must monitor periodically the quality of the effluent so as to guarantee that it is according to the standards.

ENVIRONMENTAL DEVELOPMENT	
FOR COLLECTIVE ENTERPRISES	
FARMS, WILD COLLECTION AND PROCESSING INDUSTRIES	
Progress criteria	Indicators:
a) Implantation of a program aiming to optimize the use of energy resources .	<ul style="list-style-type: none"> • Programs to reduce losses in the system; • Programs to reduce the use of non renewable sources of energy; • Other initiatives.
b) Reduction in the generation of Solid Residues .	<ul style="list-style-type: none"> • Implantation of a Solid Residues Management Program to reduce

ECOSOCIAL CERTIFICATION PROGRAM

	<p>discard/waste of byproducts and spinoffs in the activity;</p> <ul style="list-style-type: none"> • Programs to reduce Consumption and Generation of Residues; • Other Programs.
c) Optimization of Water Resources.	Program aiming to optimize the use of water resources (reduction of losses in the system) and reduction of catchment demand.
d) Improvement in management and conservation of soil structure and fertility.	<ul style="list-style-type: none"> • Programs to recover eroded areas, recovery of contour lines; • Pursuance of practices aiming the recovery of soil structure and fertility • Others.
e) Increment of biodiversity.	Programs of biodiversity increment, like green barriers rich in biodiversity, ecological corridors, increase in forest reservation areas, among other initiatives aiming to improve the local biota.
f) Development of genetic material.	Program of Development of genetic material adequate and the building of a seed bank (Individual or communal).
g) Promotion of Environmental Education.	Program of Environmental Education seeking to raise the consciousness of workers, communities, among other actors, direct or indirectly related to the enterprise.
h) Reduction in the Emission of Green House Gases.	Program aiming to map the emissions and design a plan to reduce the emission of Green House Effect gases.
i) Environmental impact generated by packages of certified products.	Program to reduce the environmental impacts generated from the option made in the packing chosen by the group.
j) Another environmental program to be suggested by the company.	On-going program.

ECOSOCIAL CERTIFICATION PROGRAM

2.3. DEVELOPMENT CRITERIA FOR TRADERS:

2.3.1. Economical Development Criteria:

The practice of Fair Trade is an international initiative aiming to improve the conditions of human and social, environmental and economical development lived by groups of producers and paid workers in development countries.

“Fair Trade” means that there is a trusting relationship between the one who buys and the one who sells, where trading commitments reach a long range, price negotiations are open and the Premium gotten from this initiative is invested in the social and environmental development of producers and journeymen.

In EcoSocial it is expected that, in participating if Fair Trade, enterprises become able to improve living and working conditions of journeymen and producers involved in the process, as well as to improve their environmental quality, seeking to minimize impacts and environment conservation.

Going further in the commercial relationships preconized by EcoSocial System, it is expected that the human beings involved in this process also develop, in other words, become conscious of social environmental and economical questions around them, be able to pro-actively act in the improvement of their own and their neighbors’ lives, autonomously and freely.

EcoSocial brings innovations to the traditional Fair Trade concept. In EcoSocial the certifier does not establish the minimum price, nor the Premium. The price of the product must be linked to production costs and market negotiations, the latter happening according to ethical principles, guaranteeing clarity, transparency and benefits to producers. The value of the EcoSocial Premium is determined by the necessities of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point that differentiates EcoSocial from other Fair Trade Certification Programs is that its scope applies to any product and not only to some certain products for which the minimum price and the Premium have already been defined.

Broadening further the Fair Trade concept, Sponsors and Trading Companies do not mandatorily need to undertake own social & environmental development programs, but they must pay a Premium to supported operations’ development programs.

To be IBD EcoSocial certified, operations must prove that the principles and the Fair Trade practices are present in trading relations where they participate. These Guidelines establish different criteria for economic development for each category of enterprise, and all them are considered minimum criteria.

ECOSOCIAL CERTIFICATION PROGRAM

ECONOMICAL DEVELOPMENT – FAIR TRADE	
TRADERS	
Minimum Criteria:	Checking items:
a) Corporate socio-environmental responsibility is explicit in the enterprise mission and policy .	The Direction incorporates the Fair Trade and socio-environmental development concepts in the company's business plans.
b) The company will have to pay a Premium for the EcoSocial product, based in the amounts of market transactions and open and free processes of negotiation among the concerned parties.	<ul style="list-style-type: none"> • All trade contracts must be done in writing, containing information that demonstrates the price and the Premium for the product, deriving from the Fair Trade arrangement.
The following items apply to enterprises where the Trader Certification includes the suppliers:	
c) The Premium payment must be linked to the needs of investment in the Socio-Environmental Development Programs.	<p>All purchase and sale contracts must be done in writing, containing information that demonstrates the price and the product Premium due to the Fair Trade. The acceptance of the Premium value by IBD is conditioned on the following item;</p> <ul style="list-style-type: none"> • Besides that, the producers must present an Investment Plan for this Premium, describing how it will be used with the purpose to promote the social, human and environmental development of the suppliers, along the certification year, showing congruence of this Plan with the attainment of the minimum and progress criteria in execution. • The enterprise, farm or group must prove the participation of paid workers or producers in the definition of the Premium application. • The Premium cannot be used to cover current costs of suppliers.
d) Certification costs must be paid primarily by the trading companies in case primary producers are smallholders. In the case that these costs are passed over to producers/suppliers, the costs must be	Contract. Requirement.

ECOSOCIAL CERTIFICATION PROGRAM

clearly described in the contract.	
e) Knowledge, by the producers, that the property of use for the commercial brand and the EcoSocial Seal belong to the trader.	Contract. Requirement.
f) Knowledge, by the producers, that their certified products can only be traded through the trader .	Contract. Requirement.
g) Permanent provision by the trader company , by every means, including financial, of: technical assistance, support to the commitment, personell qualified to the company's goals, access to the IBD Guidelines and support to the local organization	Contract. Requirement.
h) The minimum price(s), the Premium and the limit date for payment after the reception of product(s) supplied by the producers must be clauses displayed in the contracts.	Contract. Requirement.
i) The definition of the characteristics/features of the product (color, size, weight, ripeness, etc.) linked to the minimum price agreed, as well as the price reduction rates for deviation from set Standards must be clearly stated in the contract.	Contract. Requirement.
j) There must be commitment of producers / suppliers in deliver products (and amounts) agreed in contract to the contracting company must also be a clause in the contract.	Contract. Requirement.
k) There must be commitment of producers/suppliers in following IBD Guidelines, as well as allow inspectors access in their properties without prior notice.	Contract. Requirement.
l) The company must perform actions that permit the adaptation to the established in items "a" to "k" at most in two years after started the certification process.	Ongoing actions.

ECOSOCIAL CERTIFICATION PROGRAM

2.3.2. Human and Social Development Criteria:

In the case of traders that only buy and sell EcoSocial products, inspections will be restricted to verifying traceability and the economical development criteria. When the trader's certification is associated with that of its suppliers, the socio-environmental development criteria will also be checked, in accordance with item 2.2.2 of this Standard.

2.3.3. Environmental Development Criteria:

In the case of traders restricted to trading EcoSocial products, inspections will be restricted to the guarantee of traceability and to the economical development criteria. When the trader certification is associated to its suppliers' certification, the environmental development criteria will also be checked, in accordance with item 2.2.3 of this Standard.

2.4. DEVELOPMENT CRITERIA FOR SPONSORS:

2.4.1. Economical Development Criteria

The practice of Fair Trade is an international initiative aiming to improve the conditions of human and social, environmental and economical development lived by groups of producers and paid workers in development countries.

“Fair Trade” means that there is a trusting relationship between the one who buys and the one who sells, where trading commitments reach a long range, price negotiations are open and the Premium gotten from this initiative is invested in the social and environmental development of producers and journeymen.

In EcoSocial it is expected that, in participating if Fair Trade, enterprises become able to improve living and working conditions of journeymen and producers involved in the process, as well as to improve their environmental quality, seeking to minimize impacts and environment conservation.

Going further in the commercial relationships required by EcoSocial System, it is expected that the human beings involved in this process also develop, in other words, become conscious of social environmental and economical questions around them, be able to pro-actively act in the improvement of their own and their neighbors' lives, autonomously and freely.

EcoSocial brings innovations to the traditional Fair Trade concept. In EcoSocial the certifier does not establish the minimum price, nor the Premium. The price of the product must be linked to production costs and market negotiations, the latter happening according to ethical principles, guaranteeing clarity, transparency and benefits to producers. The value of the EcoSocial Premium is determined by the necessities of investment in the Social and Environmental Development Programs, according to the goals established by the producers/beneficiaries and approved by the Certifier. Another point that differentiates EcoSocial from other Fair Trade Certification Programs is that its scope applies to any product and not only to some certain products for which the minimum price and the Premium have already been defined.

Broadening further the Fair Trade concept, Sponsors do not mandatorily need to undertake own social & environmental development programs, but they must pay a Premium to supported operations' development programs.

ECOSOCIAL CERTIFICATION PROGRAM

To be IBD EcoSocial certified, sponsors must prove that the principles and the Fair Trade practices are present in trading relations where they participate. These Guidelines establish different criteria for economic development for each category of enterprise, and all them are considered minimum criteria.

ECONOMICAL DEVELOPMENT – FAIR TRADE	
SPONSORS	
Minimum Criteria:	Checking items:
a) Corporate socio-environmental responsibility is explicit in the enterprise mission and policy .	The Direction incorporates the Fair Trade and socio-environmental development concepts in the company’s business plans.
b) The company will have to pay a Premium for the EcoSocial product, based in the amounts of market transactions and open and free processes of negotiation among the concerned parties.	<ul style="list-style-type: none"> • All trade contracts must be done in writing, containing information that demonstrates the price and the Premium for the product, deriving from the Fair Trade arrangement.

2.4.2. Human and Social Development Criteria:

Sponsors wishing to display the EcoSocial seal in association with their company name or logo must be audited against minimum social criteria, in addition to providing financial support to development programs carried out by EcoSocial certified operations.

Sponsors can choose to only make claims regarding their support for social & environmental programs carried out by other organizations, without making use of the EcoSocial seal. In this case, audits will be focused on verifying the payment and use of the Premium.

Own social development programs are not required for certification of Sponsors.

2.4.3. Environmental Development Criteria:

Sponsors wishing to display the EcoSocial seal associated to the company name or logo must be audited against minimum environmental criteria, and support financially the development programs of EcoSocial certified operations.

Sponsors also can choose to make only a claim upon the social & environmental programs they support, without using the EcoSocial seal. In such case, audits will be focused on payment of Premium to supported operations.

ECOSOCIAL CERTIFICATION PROGRAM

Own environmental development programs are not required for certification of Sponsors.

2.5. CRITERIA FOR MANUFACTURERS MAKING A CLAIM ON USE OF ECOSOCIAL INGREDIENTS IN THEIR PRODUCTION PROCESS.

Such companies are audited to traceability and labeling requirements but not to Minimum and progress criteria.

ECOSOCIAL CERTIFICATION PROGRAM

APPENDIX I

GLOSSARY OF TERMS, ACRONYMS AND DEFINITIONS USED IN THE ECOSOCIAL GUIDELINES:

Agrochemicals- Chemical substance used in agricultural production systems to maintain soil fertility (fertilizers); to control weeds (herbicides) or to combat pests (insecticides, fungicides, etc.)

Permanent Preservation Area (PPA) – According to the Brazilian Forestry Code, Permanent Preservation Areas are considered the forests and other forms of natural vegetation situated:

- a) Along rivers or other water streams from their highest levels in marginal zone with minimum width as follows:
 - 1) 30 meters for watercourses less than 30 meters wide;
 - 2) 50 meters for watercourses 10 to 50 meters wide;
 - 3) 100 meters for watercourses 50 to 200 meters wide;
 - 4) 200 meters for watercourses 200 to 600 meters wide;
 - 5) 500 meters for watercourses above 600 meters wide.
- b) around lagoons, lakes, or water reservoirs, natural or artificial;
- c) in water springs even when intermittent, whatever be their topographic situation, in a minimum ray of 50 meters;
- d) in mountain, hill, and range tops;
- e) in slopes, or part of them, when declivity is superior to 45% equivalent to 100% in the line of major sloping;
- f) in sand dune areas, as fixers or stabilizers in mangroves;
- g) on the brims of mesas, plateaus and tablelands, from the breaking line, in a strip never inferior to 100 meters in horizontal projections;
- h) in altitudes above 1.800 meters, whatever the vegetation.

Evaluation: Process of identification of more in depth positive and negative results of a certain activity or process, aiming to find if the results have been attained.

Conservation: The protection, rational use and restoration of natural ecosystems and resources, according to principles that guarantee the maximum social and environmental benefits without degrading the resources or ecosystems involved.

Receiver Water Body: A body of water that receives residuary waters (treated or not), coming from industrial, agricultural or home activities.

Diagnostic and Participating Monitoring: Process of data collection and evaluation in a participating form, providing inner learning, identification of aspects to be metamorphosed and foster motivation, so that the actors involved become active subjects in the transformation process – social and environmental.

Discrimination; For these norms, it is used the definition established by ILO (International Labor Organization), "Any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation;."

Erosion: Removal or displacement of soil caused by water or wind movement. Severe erosion implies the removal of all arable layer, or horizon A, from the soil.

ECOSOCIAL CERTIFICATION PROGRAM

Integrated Management of Solid Residues:

The management of solid residues in the company/farm must have as a starting point the characterization of the residues – type and quantity.

It is desirable to know the type and quantity of the residues generated, so that the company/farm assesses the best destiny for each type generated, taking into consideration the reduction of environmental impact and the logistics of transport and treatment. Stages:

- ✓ To know the residues– type and quantity;
- ✓ Reduce the production of residues;
- ✓ Define destiny and treatment;
- ✓ Define logistics – segregation, transportation, treatment.

This system must be licensed by the due environment agency, normally in state level.

Warning: harmful residues like oils, fats and batteries need special attention.

Management of Liquid Effluents:

The management of liquid effluents in the company/farm must have as a starting point the characterization of the effluents – type and quantity.

It is desirable to know the type and quantity of the effluents generated, so that the company/farm assesses the best destiny for each type generated, taking into consideration the reduction of environmental impact in the receiving body. Stages:

- ✓ To know the effluents – type and quantity;
- ✓ Reduce the production and implant systems to use them;;
- ✓ Define destiny and treatment;
- ✓ Monitor quality of effluent and the receiving body.

This system must be licensed by the due environment agency, normally in state level.

Management of Gaseous Effluents:

The management of gaseous effluents in the company/farm must have as a starting point the characterization of the residues – type and quantity.

It is desirable to know the type and quantity of the effluents generated, so that the company/farm assesses the best destiny for each type generated, taking into consideration the reduction of environmental impact in the air. Stages:

- ✓ To know the effluents– type and quantity;
- ✓ Reduce the production;
- ✓ Define the best treatment and type of release;
- ✓ Monitor quality of effluent and air.

This system must be licensed by the due environment agency, normally in state level.

Indicator: Indicators are resources used to monitor and communicate results, they may express quantitative or qualitative features of a process or activity about which it is intended to measure alterations occurred.

Impact: Disturbance, consequence, repercussion or effect of an intervention in its medium.

Environmental Licensing: Administrative procedure by which the authoritative government agency gives license for location, installation, enlargement and the operation of activities users of environmental resources considered effective or potentially polluter, or those which, by any means, may cause environmental degradation, considering the legal disposition and the applicable technical norms (according to COBAMA resolution 237/97).

ECOSOCIAL CERTIFICATION PROGRAM

Integrated Pest and Illnesses Management: (IPM/IIM) – A long range preventive strategy to combat pests, involving a combination of techniques such as, biological control (use of beneficial insects or microorganisms), use of resistant varieties and the use of alternative agricultural practices (spraying, fertilization or pruning). The purpose of IPM is to establish less favorable conditions for pest development. Pesticides are used only when the damage caused by the pest is bigger than the level the producer may economically stand (see Economic Limit).

Monitoring: Systematical and continuous process of progress verification in alterations caused by the implementation of a certain activity along a certain period, in general using pre established indicators or a questionnaire periodically repeated.

Non-conformity: Unfulfillment of one or more demands of the norm.

Water Grant: The Grant is a management instrument which guarantees the interested party to use water from a certain water source, or launch effluent in a water body. These activities must be executed in accordance with regulations extant in the National Policy for Water Resources, which, in Brazil, is the Federal Law 9.433, from January, 1997.

Social Participation: Process where the subjects involved in certain processes are motivated to become conscious on their life and work reality and to act as agents in the changes identified as necessary.

Socio-environmental Policy: Intentions and orientations of the company or farm in relation to the socio-environmental of the enterprise.

Procedure: A certain specific way to execute an activity or process to be in conformity with the norms.

Qualified/Authoritative Professional: A person with professional and academic experience, qualified to act in sustainable agricultural and industrial production.

Program: Planning oriented by aims, goals, policies, procedures and other elements and documents necessary to ensure the fulfillment of the Guidelines.

Productive Property: Enterprise subject to the certification or inspection.

Legal Reservation: Area placed in a farm, excepting the PPAs, necessary to the sustainable use of the natural resources, the conservation and restoration of ecological processes, biodiversity conservation and the necessary shelter to native flora and fauna, according to Law 4771.

Permanent workers: Workers with a contract for undetermined period in a certain enterprise.

Part time workers: Workers hired for a certain period of time in an enterprise.

Hired work: Formal working relationship, based on a hierarchy between employer and employees.

Unionized Work: Workers are represented by organized entities with the purpose to defend their interests, aiming to guarantee good and adequate working conditions.

Family Production Unit: Enterprise not depending in its structure on hired workers to perform most productive activities.

ECOSOCIAL CERTIFICATION PROGRAM

APPENDIX II:

Protocol for Public Consultation – EcoSocial Program.

1. General Aspects:

When the information in the Ground Zero Diagnostic demonstrates that the undertaking has the potential for high social and/or environmental regional impact, IBD will organize a Public Consultation to assess the opinion of the parties involved as to the certification intentions of the undertaking.

The instrument of Public Consultation intends to foster social participation, providing a public space for individual or collective manifest about the intentions of the enterprise certification that has a potential of socio-environmental impact beyond its own boundaries. Through the manifests IBD hopes to widen the evaluation possibilities of the social and environmental impacts generated by the productive activities, pick up conflicts of interest and disagreement among social actors directly or indirectly affected by them.

It is a way to turn democratic the certification decisions related to themes of public interest, in accordance with the definition of environment established in the Federal Constitution, where the term gains a public character.

"Art. 225: All have the right to an environment ecologically balanced asset of common use of the people and essential to a healthy life quality, being up to Public Power and the collectivity to defend and preserve it for the present and future generations".

2. Methodology:

The process of public consultation must be run in the sequency:

- IBD identifies and lists the parties concerned with the undertaking.
- IBD elaborates a Public Summary presenting the undertaking and the main social and environmental aspects related to it.
- The information given in the Public Summary is that already known as of "public domain", without any break of secrecy, guaranteed to certified clients.
- The Public Summary Will be sent by e-mail or post to the interested parties and given public knowledge in the IBD and the undertaking's site.
- The undertaking will publish the Summary in the local press.

It will be given the time of 30 days for manifestations, counting from the Public Summary publication in the certifier's site.

The certifier is obliged to analyze, organize and file all manifests made during the Public Consultation.

In case any manifest contrary to the certification brings up relevant negative aspects, IBD may manifest itself against the certification even before performing the inspection.

ECOSOCIAL CERTIFICATION PROGRAM

APPENDIX III:

REFLECTIONS REGARDING THE RELATIONSHIP BETWEEN IBD'S FAIR TRADE PROGRAMS AND A FEW INTERNATIONAL AGREEMENTS DEALING WITH SOCIO-ENVIRONMENTAL MANAGEMENT:

1. INTRODUCTORY ASPECTS:

In the contemporary world, the consequences of *accelerated modernity*³ are evident, effecting the material and symbolic universe of all human beings that inhabit our planet, while also causing consequences to the physical and biotic environment in a generalized way. Modern social institutions are in some respects unique in their form. The way of life that has resulted from modernity has disengaged us from traditional ways in an unprecedented manner, taking humanity, according to GIDDENS (1991), towards a *discontinued* interpretation of modern social development.

Obviously, continuity between the traditional and the modern exists, and neither one nor the other exists in and unto itself. However, the changes that have occurred during the last three or four centuries – a small period of historical time- have been dramatic and widespread in terms of social, economic, cultural and environmental impact. The transformations resulting from modernity are more profound, as much for their extensive as for their intensive character, than the majority of the changes that characterize preceding periods.

The realization that the institutional foundations of modernity, such as industrialism, for example, could bring about the excessive destruction of natural resources was already a reality in the 19th century. Ever since then, we have been facing the following dilemma: *how to reconcile civilization's physical demands with the new environmental values and feeling engendered by this same civilization?*

Modernity has also produced important consequences in the social realm. Misery, hunger, social inequality, racial discrimination, prejudice, poor quality education, fragile health, inadequate human settlements, among others, are all widespread social problems today. According to data from the World Health Organization, the beginning of the 21st century has brought more than 15 million deaths from hunger annually – the majority being children; and another 500 million human beings that are gravely malnourished. Nearly 40 percent of the world's population does not have access to professional health services and 30 percent do not have access to potable water.

Another relevant aspect of the globalization process is the *homogenization* of differences in favor of conceptual and technological hegemonies adopted as an absolute truth for all. With this, minority cultures have been decimated in many countries, with the consequential loss of their ways of life and world views, as well as their knowledge and traditional technology, above all related to the traditional management of natural resources.

³ GIDDENS (1991) analyzes the world situation as a *modernity situation*, nonetheless a modernity different from that which arose in Europe in the XVII century and that subsequently became more or less worldwide in its influence. *It deals with a period in which the consequences of modernity are become more radical and universal than before (p:13)*. This situation is called *accelerated modernity* by the author.

ECOSOCIAL CERTIFICATION PROGRAM

With this knowledge, the urban-industrial population is losing a great opportunity to learn how to relate more sustainably with the environment and its resources. As an immediate consequence of this process, humanity finds itself even more dependent on artificial resources, which it does not dominate, leading to what GIDDENS calls *detachment*. The predominate world view leads to the distancing of people from their immediate reality, which they understand and with which they have an intimate relationship based on trust. This is substituted by interconnection with products/processes, which are not entirely understood, but nonetheless must be relied upon, as occurs with the current food supply system, for example.

Currently, nearly everything, or everything that is consumed, is produced by third parties, using criteria unknown to the majority. Human beings have distanced themselves from that which guarantees their own existence, in other words, their food, giving more importance to price parameters than to quality. This can be seen when one compares, for example, the number of times that the media emphasizes the price of food in counterpoint to food quality. The value of the basic food basket has been given innumerable times more importance than the quality (nutritional value and production method) of its contents.

The detachment of populations with their immediate reality, as much in regards to food, as to innumerable other variables, is an important contributing factor to the current disequilibrium faced by humanity. Human beings cause environmental imbalance—environmental pollution and biodiversity loss – in the production of food, while simultaneously causing an imbalance within their own bodies by consuming poisoned food. Given this, it can be said that the hegemonic world view and lifestyle has been responsible as much for environmental, as well as individual, degradation at an unprecedented level, potentially resulting in ecological catastrophe and even the extinction of the human species.

According to CAPRA (1993), this crises situation evokes a sensation of risk, but also a spark for change. In Chinese, this concept can be seen within the very word “crises” – *wei -ji* –, which is formed by two characters: “risk” and “opportunity”. Historically, the process of decline by peak societies can be tied to the moment in which a civilization has lost its capacity to deal with diversity, imposing a hegemonic petrified standard. The loss of flexibility by a society already in disintegration has been accompanied by a general loss of harmony among its elements, which inevitably triggers discord and social disruption.

However, during the painful process of disintegration, society’s creativity – its capacity to respond to challenges – is not completely lost. Although the cultural mainstream has become petrified by insisting on fixed ideas and rigid patterns of behavior, creative minorities appear on the scene to carry on the process of challenge-response. The dominant social institutions tend to refuse to deliver their leading roles to these cultural forces, but inevitably continue to decline and disintegrate while the creative minorities become able to transform some of the old elements, giving them a new configuration. The process of cultural evolution continues, but under new circumstances and with new leaders.

The socio-environmental crisis of modern society has provoked responses within different segments of society. This intensified in the 70's, with the creation of movements organized around the building of an alternative society. The political movements of that time, together with the structuring of social movements, the environmental movement and the movement for ecological agriculture, demonstrate the emergence of creative groups, joined together in their search for new directions.

The global crisis has triggered efforts to construct a new paradigm, capable of providing environmental, social, economic and political sustainability to life processes on the planet. According to Capra (1993), the beginnings of this change, the transfer from a mechanistic to a holistic conception of reality, are already visible in every corner, capable of dominating the present decade. The movements generated in the 60s and

ECOSOCIAL CERTIFICATION PROGRAM

70s all seem to have moved in one direction, emphasizing different aspects of this new perception of reality. However, until now, most of these movements have not recognized that their intentions are interrelated. According to this author, when these different forces realize their own importance, as part of a common whole, the various movements can be expected to flow together, forming a powerful force for social change.

However, until this happens, still in the beginning of the 21st century, humanity continues to ask: What would be a more sustainable model from the social, economic, political and environmental standpoints? Is such a model possible at this juncture? What should be done to achieve it? These questions are also being asked by the United Nation's Member Countries. As a result of the search for answers, international agreements were produced in order to provide a foundation for actions in favor of this new development model.

In 1992, the United Nations Conference on Environment and Development - ECO 92 – was held in Rio de Janeiro, Brazil. During this conference, the world was challenged with the task of implementing a common agenda among member countries, which aimed to change the planet's development course, moving it towards sustainability. In 1999, the UN initiated the GLOBAL PACT program, directed to the international business community, which aimed to promote commitment to fundamental values related to human rights, labor relationships and the environment. In 2000, during a meeting called the Millennium Summit, member countries enacted the Millennium Declaration, which consists of "Eight Millennium Development Goals" to be reached by member countries before the year 2015. In line with these documents, other documents were also produced, such as the Kyoto Protocol and the Earth Charter, as well as a massive arsenal of laws and decrees that encompass social and environmental issues worldwide.

It is clear that the initiatives by the UN, as well as all the other documents mentioned, are fundamental, given that they provide parameters for building a better world for all. However, according to Veiga (2004), in order for the goals laid out in these documents to be effectively achieved in areas where problems really exist - the immediate reality – they need to be incorporated by all societies and within the public policies of all countries.

In this direction, IBD Certificações, as a certification company for products and processes, decided to contribute in a more focused way to overcoming the current socio-environmental situation through the creation of the EcoSocial Certification Program (applicable to organic products and processes) and Integra Program (applicable to conventional products and processes). In this way, this certifier seeks to stimulate change through the local implementation of the principles, objectives and targets envisioned by the principal international agreements.

The Ecosocial and Integra Certification Programs are intended for products that are naturally targeted for marketing. Marketing products generated through balanced social and environmental relationships involves the concepts of Ethical Commerce and Solidarity, or Fair Trade. The EcoSocial and Integra certifications are the IBD's Fair Trade Programs, whose methodology differs from other related certifications in the following aspects:

- ✓ Focus on local development and not on payment of a Premium Price.
- ✓ Bring together, in one certification, individual, social, environmental, and economic development, as well as quality criteria.
- ✓ Focus on environmental aspects as well as social aspects.

ECOSOCIAL CERTIFICATION PROGRAM

- ✓ Deals with aspects related to living conditions and not only aspects related to working conditions.
- ✓ Methodology focused on participatory diagnostics, planning, and monitoring.

In order to be certified, the operations must present an Initial Diagnostic that identifies the social and environmental goals to be reached. These must be transformed into a detailed Action Plan that specifies how these improvements will be carried out. The Plan must show how compliance will be met for all minimum criteria listed in the Standards and describe at least two progress criteria related to Environmental Development and two related to Social Development, during the certification year.

Participation is fundamental to the diagnostic, as well as to the selection and management of the development programs, such that the various stakeholders involved in the operation are all organized and represented within the Management Commission. Social participation is fundamental to IBD's Fair Trade Certification, serving as a driving tool to human development, stimulating individual growth through greater awareness and appropriation of knowledge.

The stimulation of local socio-environmental development through social participation is also fundamental to various Protocols and International Agreements. As a result, many similarities can be identified between these agreements and the EcoSocial and Integra Programs.

2. IBD FAIR TRADE PROGRAMS AND PRINCIPLE INTERNATIONAL COOPERATION AGREEMENTS

The EcoSocial and Integra Programs evaluate projects on the following specific criteria:

Environmental Criteria:

- ✓ Conformity with current environmental legislation and requirements of environmental agencies;
- ✓ Preservation of protected environmental areas (PPAs, LRs and Conservation Units);
- ✓ Management of natural resources (forestry, subsoil and soil resources);
- ✓ Management of water resources;
- ✓ Management of solid residues (reduction, reuse, recycling);
- ✓ Management of liquid effluents;
- ✓ Management of gaseous effluents;
- ✓ Management of a biodiversity and seed bank;
- ✓ Environmental impact of agricultural production or wild harvesting.

Social Criteria:

- ✓ Conformity with current labor laws and regularization with labor organizations;
- ✓ Support for unionized labor;
- ✓ Safety and health in the workplace;
- ✓ Equality of benefits for fixed and temporary workers;
- ✓ Profit sharing;
- ✓ Employee training;
- ✓ Management training for producer groups (Internal Control System)
- ✓ Technical training for producer groups;
- ✓ Absence of child labor;
- ✓ Absence of social, racial, religious, political or gender discrimination;

ECOSOCIAL CERTIFICATION PROGRAM

- ✓ Basic and Secondary School Education;
- ✓ Housing, food, health;
- ✓ Support for women workers and for pregnant and nursing women;
- ✓ Support for the elderly;
- ✓ Prevention and support for addicts (smokers, alcoholics, and drug users)

Economic Criteria:

- ✓ Fair Trade relationships;
- ✓ Open, transparent and lasting negotiations between interested parties;
- ✓ Premium payments to the operation for Fair Trade practices;
- ✓ Premium used to promote local social and environmental development;
- ✓ Socio-environmental Participatory Management

These evaluation parameters are in conformity with the principle international agreements that regulate social, environmental and fair trade actions directed towards overcoming the current model of development, such as;

2.1 - AGENDA 21:

- **Combating Poverty** (chapter 3), advocates the empowerment of small farmers, indigenous and extractive communities in achieving sustainable livelihoods;
- **Implementation of actions aimed to change current consumption patterns** (Chapter 4), through the efficient, rather than exploitative, use of natural resources;
- Protect and promote **human health conditions** (Chapter 6), by satisfying the needs for primary health care (especially in rural areas) and controlling infectious diseases;
- **Promote sustainable development of human settlements** (Chapter 7), by improving the quality of social, economic and environmental conditions in settlements, as well as the quality of life and working conditions of all those involved in the EcoSocial program;
- Reduce levels of **air pollution** (Chapter 09) under the current industrial model, through organic agriculture practices;
- **Implement an integrated approach to planning and resource management** (Chapter 10) through participatory management of the EcoSocial program;
- **Combat deforestation** (Chapter 11), through training programs for local staff in the area of sustainable management and through compliance with laws geared towards the preservation and conservation of ecosystems.
- **Promote the sustainable management of fragile ecosystems** (Chapter 12) through respect for environmental legislation and the requirements of sustainable farm management and wild harvesting practices;
- **Promote sustainable agriculture and rural development and conserve biodiversity** (chapters 14 and 15) through the concepts and practices of organic and biodynamic agriculture;
- **Protect water resources** (Chapter 18) through the proper management of water quality and supply, applying integrated criteria for development, environmental sustainability and effluent waste management;
- **Promote the proper management of solid waste** (Chapter 21) by respecting current environmental regulations and encouraging recycling programs throughout the supply chain;

ECOSOCIAL CERTIFICATION PROGRAM

- **Strengthen the role of social groups** (Chapter 23) by adopting new forms of participation in which individuals and organizations are encouraged to develop innovative procedures for assessing social and environmental impacts, as well as by contributing to the development of tools to assist in the implementation of proposals and monitoring at the local level;
- **Worldwide articulation for women** (Chapter 24) by combating discrimination, respecting labor laws and encouraging social programs that ensure equal opportunity for women workers;
- **Insertion of children and youth in the sustainable development movement** (Chapter 25) through access to formal education and incentive programs aimed at increasing contact with sustainable management technologies, as well as through the recovery of regional cultural and agricultural knowledge;
- **Recognize the value and strengthen the role of indigenous people and their communities** (Chapter 26) through respect for indigenous territories, as well as through sustainable means of income generation that enable financial autonomy and are tied to cultural and environmental sustainability;
- **Strengthen the role of NGOs** (Chapter 27) by encouraging the formation of participatory management systems and regular monitoring of social and environmental development parameters;
- **Strengthen the role of rural workers and their unions, industries, commerce, and farmers** (Chapters 29, 30 and 32), by respecting labor legislation and through participation in the management of social and environmental development programs;
- **Promote education, awareness and training among local social agents, enabling them to be proactive in overcoming the current development model** (Chapter 36), by encouraging the formation of participatory management systems and through participation in the management of social and environmental development programs;
- **Ensure democratic participation, empowerment and autonomy through the encouragement of decision making by social actors who are involved in sustainable development actions** (Chapter 40), by encouraging the formation of participatory management systems and through participation in the management of social and environmental development programs;

2.2 – THE EARTH CHARTER

The Earth Charter, written during the United Nations Conference on Environment and Development in 1992, argues that in order to overcome the principle world problems present today, societies must have a sense of universal responsibility, connecting themselves to the Earth's entire community as well as to the local community. Citizens must belong simultaneously to different nations while also belonging to a world in which the local and global dimensions are linked. Every individual shares responsibility for the present as well as for the future well-being of the human family and of the entire world of living beings. The spirit of human solidarity and kinship with all life is strengthened when one has reverence for the mystery of existence, is grateful for the gift of life, and lives with humility regarding our place in nature.

Humanity needs to urgently develop a shared vision of basic values, capable of providing an ethical foundation for the emerging world community. To this end, the Earth Charter proposes the following principles, all interdependent, which seek a sustainable way of life as a common criterion to guide and assess the conduct of all individuals, organizations, businesses, governments, and transnational institutions.

ECOSOCIAL CERTIFICATION PROGRAM

By establishing a parallel between the evaluation parameters that compose the EcoSocial and Integra programs and the principles that compose the Earth Charter, one observes a complete communion of assumptions and guidelines between the two.

The Earth Charter calls for the following:

- Respect Earth and life in all its diversity.
- Build democratic societies that are just, participatory, sustainable, and peaceful
- Care for the community of life with understanding, compassion, and love.
- Secure Earth's bounty and beauty for present and future generations.
- Protect and restore the integrity of Earth's ecological systems, with special concern for biological diversity and the natural processes that sustain life.
- Prevent harm as the best method of environmental protection and, when knowledge is limited, apply a precautionary approach.
- **Avoid military activities that are damaging to the environment.**
- Adopt patterns of production, consumption, and reproduction that safeguard Earth's regenerative capacities, human rights, and community well-being.
- Advance the study of ecological sustainability and promote open exchange and wide application of the knowledge acquired.
- Eradicate poverty as an ethical, social, and environmental imperative
- Ensure that economic activities and institutions at all levels promote human development in an equitable and sustainable manner.
- **Ensure that all trade supports sustainable resource use, environmental protection, and progressive labor standards.**
- Affirm gender equality and equity as prerequisites to sustainable development and ensure universal access to education, health care, and economic opportunity.
- Uphold the right of all, without discrimination, to a natural and social environment supportive of human dignity, bodily health, and spiritual well-being, with special attention to the rights of indigenous peoples and minorities.
- Strengthen democratic institutions at all levels, and provide transparency and accountability in governance, inclusive participation in decision making, and access to justice.
- Integrate into formal education and life-long learning the knowledge, values, and skills needed for a sustainable way of life.
- Treat all living beings with respect and consideration.
- Promote a culture of tolerance, non violence and peace.

2.3 - GLOBAL COMPACT PROGRAM

ECOSOCIAL CERTIFICATION PROGRAM

The Global Compact program has been led by the United Nations (UN) since 1999, with the goal of disseminating guidelines for companies worldwide with regards to human rights, labor laws and the environment. It is a compendium composed of 09 principles aimed at encouraging businesses to implement social and environmental responsibility.

The nine principles of the Global Compact have been incorporated into the evaluation parameters that compose IBD's Fair Trade Programs:

- Businesses should support and respect the protection of internationally proclaimed human rights
- They should make sure that they are not complicit in human rights abuses.
- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- The elimination of all forms of forced and compulsory labor;
- The effective abolition of child labor; and
- The elimination of discrimination regarding employment and occupation.
- Businesses should support a precautionary approach to environmental challenges;
- Undertake initiatives to promote greater environmental responsibility; and
- Encourage the development and diffusion of environmentally friendly technologies.

2.4 MILLENNIUM DECLARATION

In September 2000, the UN brought together 147 Government officials in an event called the "Millennium Summit", during which the "Millennium Declaration" was drafted and subsequently endorsed by all 189 member countries, reflecting a growing concern regarding the sustainability of the planet and the serious problems affecting humanity.

Although these leaders, through signature of the document, reaffirmed their intention to implement programs leading to sustainable development and the eradication of poverty nationally and worldwide, they have faced obstacles and limitations for achieving these goals in their home countries.

According to Veiga (2004, p.05), the complexity and breadth of these obstacles have been shown to be greater than the capacity and willingness of local governments to resolve them, making societal participation, through partnerships between the various social actors involved and the various levels of government, extremely necessary for developing effective and comprehensive solutions.

Through its Fair Trade programs, IBD Certifications is contributing to the realization of the eight Millennium Development Goals set forth in this international agreement, as can be seen below;

- Eradicate extreme poverty and hunger.
- Achieve universal and quality primary education for all
- Promote gender equality and empower women.
- Reduce child mortality.
- Improve maternal health.
- Combat AIDS, malaria and other diseases.
- Ensure environmental sustainability.
- Promote a global development partnership.

ECOSOCIAL CERTIFICATION PROGRAM

2.5 OTHER INTERNATIONAL AGREEMENTS AND NATIONAL SOCIO-ENVIRONMENTAL REGULATIONS:

In addition to the International Cooperation Agreements mentioned above, there are others for which the EcoSocial and Integral Programs offer direct contribution at the local level, such as: the Kyoto Protocol, Biodiversity Convention and the various International Labor Organization Conventions. In addition, The EcoSocial and Integra programs contribute to the enforcement of national laws by requiring that companies under certification meet Social and Environmental Regulations pertinent to their home country (minimum criteria).

ECOSOCIAL CERTIFICATION PROGRAM

APPENDIX V

Main Differences between certification categories:

1. Individual enterprises / Collective enterprises
2. Traders / manufacturers
3. Enterprises using EcoSocial ingredients in their production process: “claim on Ingredients” category.
4. Sponsors

	Management commission	Compliance with environment and labor laws	Development programs	Inspections	Visibility	Traceability reporting
1	Yes	Yes, minimum criteria, audited	Yes, according to standard	Yes, annually, full, by IBD or approved local Certification body/inspector	Use of EcoSocial seal associated to operations’ label and marketing material	Yes
2	Yes, at least in the first audit, except for Trading offices that do not handle products	Yes, minimum criteria, audited	If IBD do not detect any improvement program in the Company, operation must sponsor development programs in raw material suppliers	Yes, full in first year, to check need of improvement programs in the Operation. 2nd year on, follow OPTIONS 1 or 2 below.	Listed on EcoSocial website in the “Certified operations” Use of EcoSocial seal (at least 50% ES ingredients)	Yes
3	No	No, operation signs an agreement, not audited	No	OPTION 1: Traceability report sent by company to IBD every 6 months and audit done by local inspector every 3 years. OPTION 2: Simplified checklist and confirmation of organic certification with master certificate sent by company’s local certifier each year.	Use of claims on EcoSocial certified ingredients associated to the list of ingredients (indicating which ingredients are ES certified) on the products label NO EcoSocial seal use displayed close to the Company seal in the front label, nor in marketing materials Listed in the EcoSocial website in the category of “Users of EcoSocial ingredients” Obs – if the Company wishes a better visibility, shall upgrade to category n°2	Yes
4	No – but operation must create a committee that controls donations to selected programs	No, operation signs an agreement, not audited	No, but they sponsor development programs in other EcoSocial certified operations	Desk audit of amounts invested in the development programs.	Use of EcoSocial seal in association to Companies seal and marketing material – NOT on the products/services they sell Listed in the EcoSocial website in the category of “Development programs Sponsors”	Yes, not on traded volumes, but on donations

ECOSOCIAL CERTIFICATION PROGRAM

APPENDIX V

BIBLIOGRAPHICS REFERENCES

BRANDÃO, C. R. *Outros Afetos, Outros Olhares, Outras Idéias, Outras Relações* in **A Questão Ambiental: Cenários de Pesquisa**. Campinas: NEPAM / UNICAMP, 1995.

CAPRA, F. **O Ponto de Mutação**. São Paulo: Editora Cultrix, 1993.

GIDDENS, A. **As Conseqüências da Modernidade**. São Paulo: Editora da UNESP, 1991.

NEGRET, R. **Na Trilha do Desenvolvimento Sustentável**. Alto Paraíso: Instituto Transdisciplinar de Desenvolvimento Sustentável – ITDS, 1994.

VEIGA, J. P. C. **O Compromisso das Empresas com as Metas do Milênio**. São Paulo: Instituto Ethos, 2004.