

Buyer Information Factsheet

The Fairtrade Climate Standard calls for End Buyers of Fairtrade Carbon Credits (FCCs) to engage in the reduction of carbon emissions. The purchase of FCCs should be part of an overall comprehensive greenhouse gas management strategy with a commitment to reducing greenhouse gas emissions and using an offsetting mechanism only for emissions that cannot be tackled at the source and by other means (e.g. emissions caused by business related activities).

In order to implement these requirements of the Fairtrade Climate Standard the following contractual arrangements have been prepared.

End Buyers who source over 1000 carbon credits per year (considering all carbon credits, including non-Fairtrade certified) are obliged to conclude an **FCC End Buyer Contract** with the National Fairtrade Organization of their country or Fairtrade International. This End Buyer Contract will provide the framework for the End Buyer's commitment to reducing greenhouse gas emissions and a plan for buying FCCs to compensate for emissions. In return the FCC End Buyer Contract will allow the End Buyer to communicate publicly on their involvement with FCCs in compliance with the FCC Partnership lock-up and communications guidelines.

End Buyers who source 1000 or less carbon credits per year (considering all carbon credits, including non-Fairtrade certified) do not have to make a formal commitment to reducing greenhouse gas emissions. However, **if they wish to communicate** about their purchase and sales of FCCs, they are obliged to enter into a **FCC Lock-Up Use Only Contract**. This allows the End Buyer to communicate publicly on its involvement with FCCs in compliance with the FCC Partnership lock-up and communications guidelines.

Distributors do not have to make a formal commitment to reducing greenhouse gas emissions. However, they are obliged to enter into a **FCC Lock-Up Use Only Contract** to regulate reporting requirements. It also allows the Distributor, if they wish, to communicate publicly on its involvement with FCCs in compliance with the FCC Partnership lock-up and communications guidelines.

*Both, the FCC End Buyer Contract and the FCC Lock-Up Use Only Contract are **free of charges**.*

Contact details of the National Fairtrade Organizations and Fairtrade International are available on www.info.fairtrade.net.