



## **Guidance**

**Final 11.25.2013**

### **Clarifying standards intent: Ability to renegotiate in an emergency**

#### **1. Purpose**

AJP would like to clarify that our intent in the standards regarding fair negotiation of price and contracts is to create a truly balanced relationship, where dialogue is the basis and one party is not overpowered by the other. We recognize that even in fair relationships legitimate emergencies may arise that require sudden changes. We would like certified entities to be able to respond in these situations without violating a standard.

#### **2. Scope**

This clarification of intent applies to all entities that use the AJP Standards either for certification purposes or verification purposes, including all certifying bodies, inspectors, worker organizations and staff that participate in inspections, and all certified entities.

#### **3. Background**

When the DFTA evaluated AJP Standards, our present language did not make our intent clear to them. Even in an emergency, fairness requires that the parties to an agreement consult with one another in re-negotiating terms.

#### **4. Policy**

Our intent behind standard 1.1.6 e “Any changes in the contracts or agreements between buyer and farmers must be negotiated in good faith” is that emergencies should be considered legitimate reasons for the re-negotiation of a contract or agreement. Post emergency, if prices need to change, negotiations should take place following AJP standards. The re-negotiation should take place within a reasonable amount of time after the emergency, depending on the gravity of the situation, but usually within two weeks.