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   A. FPC Calendar of Activities and Events (Sample Spreadsheet)
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1. INTRODUCTION

The purpose of this manual is to assist the Fairtrade Premium Committee (FPC) in its everyday routine. The Fairtrade standards\(^1\) assign to the FPC responsibility for managing the Fairtrade Premium (FP) for the benefits of all workers. They establish the basic rules about how this should be done. The *Fairtrade International Explanatory Document for the Fairtrade Premium Committee in Hired Labour Situations* gives further orientation\(^2\). The intention of this manual is to help the FPC to perform its day-to-day work, to be better organized, and to do its job both efficiently (get the maximum result with minimum effort - ‘do things right’) and effectively (achieve its goals and targets - ‘do the right things’). It is based on experience and good practices. The advice it offers should not be seen as a “straight jacket”, but as suggestions for improving your own practice and as a reminder not to forget things. In this sense, the examples, checklists and models presented here should inspire you to develop your own tools, adapted to your own conditions.

As the standards say, the Fairtrade Premium must benefit workers, their families and their communities through Fairtrade Premium projects that address their needs and preferences as decided and adequately justified by workers (Standards clause 2.1.19). The FPC thus serves these groups of people. This is not an easy task, since you will be confronted with very different interests. The workers might be reluctant to support community projects, because they wish to keep the benefit for themselves. They should understand that they are part of the community and will benefit as well from community projects. However, the workers may not all live in the same community, so the question might become which community should benefit first. It is the responsibility of the FPC to find a practical and fair solution to these dilemmas, placing the common good above the interest of certain groups.

Among the workers themselves different groups and interests may also exist. The women often have different needs than the men and may be forgotten or overruled. In the decisions about premium allocation, the FPC should keep the gender perspective in mind. Another difference is between permanent, temporary/seasonal workers and migrant workers. Because of their less stable employment conditions, there is a risk that temporary/seasonal workers may not be adequately represented in the FPC, and, therefore, their needs may not be fully addressed. For this reason the composition of the Fairtrade Premium Committee should reflect the composition of the workforce, taking in account gender, work areas, community membership, union membership, and where applicable, migrant, temporary/seasonal and subcontracted workers (Standards clause 2.1.10). It should try to support and empower the weakest and most marginalized sectors of the workforce. It is a challenge to balance the interests of the different groups and strive for the welfare of all. This is the role of leadership.

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\(^1\) Generic Fairtrade Standards for Hired Labour. Citations of the standards in this manual always refer to these standards.

\(^2\) The document can be downloaded from the Fairtrade International website: [http://www.fairtrade.net/hired-labour-standards.html](http://www.fairtrade.net/hired-labour-standards.html)
2. PLANNING

The work of the FPC is embedded in the flow of time, and in weekly, monthly and yearly cycles. Some activities must be carried out regularly. It is good to remember at which moment they are due. Other activities follow a particular sequence. Some have to be completed before others can start. It is important to know what comes first. The tool that helps being aware of the flow of time and doing things at the right moment is planning.

(a) Calendar of Activities and Events

The FPC has many things to do: prepare and carry out projects, hold meetings, write reports, etc. Most of these activities have to be done within a certain timeline; meetings are held on a certain day/date. With a growing number of premium projects, the number of activities and deadlines becomes bigger as well. A calendar of activities and meetings may help to remind you about the tasks and the deadlines. You may establish a separate calendar of activities for each project, as suggested in the Fairtrade International Training Manual _Premium Project Management_. However, you also need an overview of all activities, and you will have activities and meetings not related to a specific project. Therefore, it is useful to have a general, yearly FPC calendar that contains:

- Dates for all meetings and events.
- The consolidated timetable for all projects to be prepared and/or implemented (not detailed project activities, since for these you have a calendar for each project), noting particularly the beginning, milestones and end of each project.
- Timetable for activities not related to a specific project.
- Groups or people who must attend meetings and events, or who are responsible for the tasks.

The calendar is revised as required to keep it updated. See the model calendar in Excel format in the appendix “Calendar of activities and events”.

(b) Fairtrade Premium Plan

The annual Fairtrade Premium Plan is a standard requirement (Standards clause 2.1.15). It is developed after consultation with workers and it is much more than a simple calendar. It describes the strategy and priorities of the organization and it should include the overall annual budget, including expected Fairtrade Premium income for the year, and a description of projects. The “Fairtrade Premium Plan and Reporting Templates” provide you with two templates to help you prepare the annual Fairtrade Premium Plan. In the elaboration of the workplan, the FPC should consider periods of leave and production peaks.

Strategy is a long-term plan of action, designed to achieve particular objectives. Strategy formulation has three elements:
- Situation or problem analysis
- Defining objectives
- Strategic plan that describes how objectives are going to be achieved

Preparation for the yearly workplan is a process of consultation and reflection. It should start early, at least three months in advance (e.g. in October when the business year is from January to December). It is done in three steps:

1. **Consultation with all workers:** The FPC must meet and consult with the workers to understand their needs and to discuss project ideas regularly. These information and consultation meetings must be held during working hours. Workers who share the same interest could be invited to form groups and make their own proposals. This could be, for instance, a women’s group, a migrant workers’ group, a temporary/seasonal workers’ group. Or it could be a community group (workers living in the same community) proposing a project for that community, such as a drinking water well or a social hall. All workers, individually or in groups, should be able to put forward their ideas. Of course, the FPC members themselves can take initiatives for projects. More ideas about how to identify projects can be found in the Fairtrade International Training Manual *Premium Project Management*.

In the consultation round and the later planning stages, the FPC should take a gender sensitive approach. This takes into account that women and men often have different needs and priorities, face different constraints, have different aspirations and contribute to development in different ways. These differences should be taken into consideration in the process of project identification, selection and planning. The aim of such an approach is achieving gender equality in the sense of equal opportunities for women and men. A basic step would be to collect project proposals and feedback to project ideas in a gender disaggregated form (responses from women and men are collected and counted separately). To help integrate the gender perspective in the consultation and planning process, the FPC might need external support.

2. The second step is a process of **analysis and reflection within the FPC.** The FPC must examine the needs and project ideas very carefully in order to develop the Fairtrade Premium Plan. The FPC needs to determine the best use of the premium and set a reasonable budget based on the expected premium income.

A quick and easy project will have a very simple plan, bigger projects will have more detailed plans. Tools to select projects can include needs assessments, setting of priorities, feasibility studies, and cost analysis and risk assessments. Cash distribution must also follow the guidelines for planning and reporting. A risk assessment must be undertaken for all major projects (Standards clause 2.1.17).

The FPC should examine project ideas not from the perspective of a specific interest group, but with a broader view. It must care for the common good of the whole workforce and the community, not forgetting specially disadvantaged minority groups. It should be guided by the principles for project selection as laid down by Fairtrade International in the *Explanatory Document for the Fairtrade Premium Committee in Hired Labour Situations*.

Last but not least, all projects must stay within their financial limits. The FPC cannot spend more money than it has. To make sure that the workplan is financially viable, it must contain a budget. If there are many good project ideas and the premium is not sufficient to realize them all, the FPC must rank them according to their priority. The terms of reference (ToR) or the constitution of the legal body must describe the criteria for selection of Fairtrade Premium Projects.

The FPC should dedicate enough time to this process. You might need one or more extraordinary planning meetings, or you might wish to hold a planning workshop for a whole day or weekend with an external facilitator (e.g. Fairtrade International producer support or your regional producer network).
(3) Once the FPC has decided on the projects and other activities (e.g. training), it must convert the plan into a **written format** to be approved by the annual General Assembly of all workers.

You can use the templates developed by Fairtrade International. It is not a condition to comply with the requirements but they are useful tools to help you as a starting point. All workplans should be written in the appropriate language and in a format that workers can easily understand in order to approve it and be involved in the execution as beneficiaries.
The Fairtrade Premium Plan Template contains the following information:

- **Action**
  - What do you want to do?

- **Objective**
  - What do you want to achieve from the chosen action?

- **Target Group**
  - Who will benefit from the action?

- **Selection tools**
  - What tools did you use to select the action?

- **Activities**
  - What activities do you plan to carry out to achieve your objective?

- **Timeline**
  - Start date: when do you aim to start the project?
  - End date: when do you aim to complete the project?

- **Person responsible**
  - Who will be responsible for carrying out the action?

- **Monitoring**
  - How will you monitor the project?

- **Total budget**
  - How much money do you want to spend in total on this project?

- **Annual budget**
  - How much money do you want to spend this financial year on the project?
**Action**
- What do you want to do?

**Objective**
- What do you want to achieve from the chosen action?

**Target Group**
- Who will benefit from the action?

**Selection tools**
- What tools did you use to select the action?

**Needs assessment**
- Setting of priorities.

**Activities**
- What activities do you plan to carry out to achieve your objective?

**Timeline**
- Start date: when do you aim to start the project?
- End date: when do you aim to complete the project?

**Person responsible**
- Who will be responsible for carrying out the action?

**Monitoring**
- How will you monitor the project?

**Total budget**
- How much money do you want to spend in total on this project?
- How much money do you want to spend this financial year on the project?

**Total budget**
- USD 300,000
- USD 250,000

**Children of workers**
- Improve their skills in English, Mathematics and the arts

**Children of workers**
- Between 5 and 18 years of age

**Needs assessment**
- Setting of priorities

**Carry out a tender process**
- To choose the best contractor
- Obtain permission from legal authority
- Build the center

**Education Sub-committee**

**Start in January 2015**

**End in January 2016**

**Weekly inspections**
- Meetings with the contractor
- IAC review project
- Monthly financial report
• **Budget**: As required by the standards (Standards clause 2.1.15), the workplan must contain a budget. This is to ensure that the projects are financed. Therefore, the plan must be in line with the available premium money. The budget has two elements: income and expenses. To calculate the **income**, you add the balance left over from last year to the expected premium income for the coming year. The **expenses** will consist of costs for the planned projects and training, plus administrative costs. These two items, income and expenses, must be in **balance**. That means you cannot spend more money than you have (unless you can tap funds from other sources). For more details on budgeting, consult the Fairtrade International Manual on *Fairtrade Premium Committee Financial Management*. The format of the budget can be quite simple:

```
BUDGET 2015

Company and country:  Organization:  
Period covered by the budget:  Currency:  

<table>
<thead>
<tr>
<th>INCOME</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance from 2014</td>
<td>5000</td>
</tr>
<tr>
<td>Expected premium income 2015 15</td>
<td>25,000</td>
</tr>
<tr>
<td>Other income (loans, interest, donations, etc.)</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>30,500</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1 (running)</td>
<td>2000</td>
</tr>
<tr>
<td>Project 2 (running)</td>
<td>6500</td>
</tr>
<tr>
<td>Project 3 (new)</td>
<td>10,000</td>
</tr>
<tr>
<td>Training 1</td>
<td>2000</td>
</tr>
<tr>
<td>External coaching for FPC</td>
<td>5000</td>
</tr>
<tr>
<td>Administration</td>
<td>2500</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>28,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BALANCE (surplus)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>2500</strong></td>
</tr>
</tbody>
</table>
```

• **Calendar of Activities and Events** as discussed under (a)

### 3. MONITORING, EVALUATION AND REPORTING

(a) **Monitoring and Evaluation**

Monitoring and evaluation (M&E) should be an integral part of all your activities. Monitoring is ongoing; it means following up on an activity, continuously checking if everything is going well and according to the plan.
Evaluation is done at the end of an activity or at certain intervals, for instance, at the end of a year. Its purpose is to assess if you have achieved your goals. For guidance on the monitoring and evaluation of projects see Fairtrade International Training Manual *Premium Project Management*.

M&E is not only useful for specific projects. Monitoring should be applied to your overall plan, or yearly workplan. The method is the same as that used for monitoring projects. You continuously check if the plan is being implemented properly. If things do not work out as planned, you have to find out why. Maybe you have lost momentum or gone in the wrong direction. Then you can correct your action to stick to the plan. Maybe the plan was not realistic or external factors have changed. Then you can adapt the plan to the new circumstances. It is important to react quickly if something is going wrong. The longer you wait, the worse things get and the more difficult it becomes to correct. Monitoring the workplan (and each individual project) should be an agenda item of the regular FPC meetings. Best practice is to do it quarterly at least.

(b) Annual Report

At the end of each year you have to write an annual report to inform all workers (Standards clauses 2.1.16 and 2.1.18) and FLOCERT about your activities in the past year. This is an excellent opportunity to evaluate what you have done during the year.

The report must include the following information:

- Details of overall Fairtrade Premium income received, expenditures and balance;
- A description of each project that is planned, on-going, concluded within the last reporting cycle;
- Were the activities carried out, yes or no? If not why?
- When were they carried out?
- At what cost?
- Was the objective achieved or is any further action needed?

Similar to the planning meeting suggested above, this evaluation should be done in a special meeting or workshop, ideally with external facilitation. Plan for the evaluation meeting in your yearly calendar of activities. It should take place prior to the planning meeting. Evaluation and planning are the two sides of the same ongoing cycle, or spiral, because the learning from the evaluation is woven into the next plan, and so on.

A good illustration of this ongoing planning and checking is the so-called PDCA cycle. It consists of a sequence of four steps: PLAN = establish objectives and activities. DO = implement the plan. CHECK = evaluate the results. ACT = adapt plan and/or correct actions for improvement.

As a point of reference for the evaluation, take the workplan of the year just ended. Evaluate each item of the workplan (projects, training and other activities), but also the plan as a whole. The following questions may guide you through the evaluation:

- **Relevance**: Have the projects contributed to resolve the problems you wanted to address? Have they responded to the needs and expectations of the workers and other beneficiaries? Have the activities been the right ones to achieve the goals?
• **Effectiveness**: Has the workplan been implemented? Have the objectives been achieved?
• **Impact**: Who were the beneficiaries? What has changed in their lives thanks to the projects? Have the projects contributed to gender equality?
• **Efficiency**: Has the money been used well? Did you stick to the budget? Have you made optimum use of time and resources?
• **SWOT analysis**: List your **Strengths** and **Weaknesses**, the **Opportunities** (factors that help in your undertakings) and **Threats** (obstacles that have made your work more difficult).

The collective reflection on your work, on the achievements but also the failures and mistakes, is a powerful learning exercise. You will understand much better why some things went well and others went wrong. You will be able to draw the lessons learned, probably more from the failures than from the successes. It is highly recommended that you seek external support for this evaluation exercise.

The written annual report should be the result of this reflection and learning process. The final editing can be done by one person or a small team, on the basis of the material the group produced during the evaluation meeting. The final draft is discussed and approved by the FPC first, and then the report is shared with the workers in a General Assembly and with FLOCERT.

The structure of the annual report can be similar to the workplan, and you can use the “Fairtrade Premium Activities Reporting Template” which contains the following information:
Fairtrade Premium Committee Processes

Action

- What did you do?

Report on activities

- What activities were carried out?
- Describe the important activities executed as per the plan. Include activities which were not planned but were necessitated by the project.

Budget planned

- What was the planned and approved budget?
- This should include not only the budget approved with the plan. If the FPC amended the budget and this was approved by the GA it must be included in this chapter with the date of approbation.

Amount spent

- How much has been spent to date?
- You can share a financial report for each project in order to describe the expenditure.

Explain any variation

- If the planned budget and the amount spent differs, explain why.

Status

- Has the action been completed? If not, what is the current status and why?

Evaluation

- Has the objective been achieved?
- What could have been done better?
- If you held an evaluation workshop you can share the overall result of it, or summarize the key points. Workers could ask for more details so it is better to provide complete information.
(c) Financial Report

The financial report is an integral part of the annual report. It consists of the following elements:

- Income and expenditure statement: how much money did you receive and how much did you spend during the year?
- Balance sheet: how much money and other assets do you have at the end of the year?
- Budget control: compares the budget with the actual figures.

For more details about the financial report, consult the Fairtrade International Manual on Fairtrade Premium Committee Financial Management.

4. FAIRTRADE PREMIUM COMMITTEE (FPC) MEETINGS

Fairtrade Premium Committee (FPC) meetings are one of the main tools that enable the FPC to do its job. They are the time and space where the FPC works together as a team. Between meetings, FPC members work individually or in smaller groups. The meetings are the milestones, where everyone comes together to inform, to exchange, to present proposals, to discuss and take decisions. Decisions can only be taken in FPC meetings.

The frequency of meetings depends on the intensity of the FPC’s work. If premium income flows regularly and the FPC prepares or carries out at least one project, monthly meetings are the minimum recommended as best practice. The dates for the meetings should be fixed in advance. Best practice is to have a meeting calendar for the whole year. The calendar should be agreed upon by management, thus formally allocating working time for FPC meetings. Remember that the FPC must meet regularly during working hours (Standards clause 2.1.11). The calendar, once approved, becomes official and part of normal business operations. It should be published and known and respected by everybody, including by heads of departments and supervisors. They cannot hinder people from going to the meetings. However, FPC members should inform and remind their superiors some days in advance to avoid possible tensions.

The quality of the meetings is crucial to ensure good FPC performance. It depends on the following factors:

(a) Preparation

The chairperson and secretary together should elaborate the agenda and convene the meeting in time, according to the Constitution or the FPC’s Rules and Regulations, but at least three days before the meeting. Together with the invitation, they should distribute the written agenda to all FPC members. All members should study the agenda and prepare for the meeting. Special preparation is required by the members who will have to report on items on the agenda (e.g. the treasurer or FPC members who are responsible for running a project or assigned a special task).
(b) Agenda

Some items should be on the agenda of each meeting, some at regular intervals (the best practice would be monthly, or at least quarterly) and some according to need. Decisions can only be taken on items that are on the agenda. The items should be numbered. The table shows a sample format:

<table>
<thead>
<tr>
<th>AGENDA OF FPC MEETING N°</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company and country:</td>
</tr>
<tr>
<td>Organization:</td>
</tr>
<tr>
<td>Date and hour of meeting:</td>
</tr>
<tr>
<td>Venue:</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Mandatory items of every meeting</strong></td>
</tr>
<tr>
<td>• Opening by the chairperson</td>
</tr>
<tr>
<td>• Attendance and apologies</td>
</tr>
<tr>
<td>• Establishment of quorum</td>
</tr>
<tr>
<td>• Approval (or amendment) of agenda</td>
</tr>
<tr>
<td>• Approval (or amendment) of minutes of last meeting</td>
</tr>
<tr>
<td>• Matters arising from minutes (tasks assigned and unfinished business from last meeting)</td>
</tr>
<tr>
<td>• Any other business</td>
</tr>
<tr>
<td>• Date of next meeting</td>
</tr>
</tbody>
</table>

(c) Conducting Meetings

Meetings are conducted by the chairperson. Their role is crucial to the success of the meeting. The chairperson should not dominate or monopolize the discussion. They should guide the meeting as objectively as possible. First, each item should be introduced with a brief update by the person in charge of the subject. Then, the chairperson should clearly define the expected outcome (e.g. decision to be taken, problem to be solved, information to be shared). In the ensuing discussion each member should be given the opportunity to speak if they so wish. Members who are reluctant to speak should be encouraged to actively participate. The chairperson must ensure that the discussion remains focused on the subject. If participants go off track, remind them gently to return to the point. To make sure that time is not lost in endless discussions, you can establish a time limit for each agenda item prior to the meeting. At the end of the debate of each item, the chairperson should try to give a brief summary of the conclusions.

(d) Development of the Meeting

The FPC meetings should be held in a language everybody, particularly the workers’ representatives, speaks and understands. The development of the meeting should follow the
order of the approved agenda. **Meetings should lead to results.** The aim can be information sharing, problem solving or decision taking. Information must be given in a precise and concise way. Make sure that everybody understands. If problems must be solved or decisions taken, the discussion should be to the point and lead to a clear conclusion/resolution. If no solution or decision can be reached, try to find out why. Identify the obstacles. Maybe it is lack of information or a conflict of interests. End the discussion by stating clearly the open questions and the further steps to be taken to come to a conclusion. Make sure that the open issues are followed up, assigning tasks with deadlines. When the subject is raised at the next FPC meeting, avoid repeating the same discussion and going round in circles. Each time you discuss the issue, you should get closer to a conclusion. It is like climbing a ladder: you have to advance step by step, but make sure that you always climb higher, instead of getting stuck or falling back. If you get stuck it is recommended that you seek external facilitation in due course.

(e) **Decision Taking**

Decision taking should be very explicit and formal. That means everybody is clear on what exactly has been decided. In order to take a decision, the chair should spell out the resolution/proposal and then ask for approval. If agreement is reached by consensus, voting is not necessary unless there is a motion for voting. Decisions must be clearly recorded as such in the minutes, with the result of approval (unanimity in case of consensus, or indicating the number of votes for and against and abstentions). Decisions on financial matters must indicate the exact amount to be approved. Decisions on new projects should indicate the budget and refer to the written project proposal. (On how to draw up a project proposal, see the Fairtrade International Training Manual *Premium Project Management*).

(f) **Minutes**

The minutes are the record of the meetings. They give legitimacy to the actions of the FPC. The FPC or FPC members cannot initiate activities, make commitments or spend money unless authorized by decisions recorded in the minutes. Minutes should be:

- Accurate, so that they present a true record of what was discussed and decided;
- Brief, so as to provide a summary of matters discussed and decisions reached;
- Clear, so that those absent are fully informed of proceedings with no possible doubts about deliberations.

They should be numbered to ensure that no minutes are lost. In some countries the public entity which regulates the legal body or organization, defines the procedure for minutes and in some cases the organization must register the minutes book with the public entity. It is important follow up this requirement in order to avoid future problems. A model format for minutes:

<table>
<thead>
<tr>
<th>MINUTES OF FPC MEETING N°</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company and country:</td>
</tr>
<tr>
<td>Organization:</td>
</tr>
<tr>
<td>Date of meeting:</td>
</tr>
<tr>
<td>Time: From ... Until ...</td>
</tr>
<tr>
<td>Venue:</td>
</tr>
</tbody>
</table>

Fairtrade Premium Committee Processes
Meeting chaired by:
Participants:
- FPC members (with voting rights):
- Management FPC advisor (without voting rights):
- Others (observers, invited experts, etc.):
Absent with apology:
Absent without apology:

Agenda (approved agenda with amendments if applicable)
1.
2.
3.
 etc.

Development of the meeting: Record on each item of the agenda

<table>
<thead>
<tr>
<th>1. Item of agenda</th>
<th>Brief report on each item (information given, discussion, conclusion and resolutions)</th>
<th>Name of person(s) to whom follow up tasks were assigned and deadlines for execution of tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Decisions/resolutions must be clearly stated as such, preferably highlighted in bold. Decisions on financial matters must indicate the approved amount. Decisions on new projects should indicate the budget and refer to the written project proposal, which is attached as an annex to the minutes.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Signature: Minutes should be signed at least by the chairperson and secretary; if you wish, they can be signed by all participants. Before they are signed, they should be approved at the next FPC meeting, where errors can be corrected. Once the minutes are signed as correct, no alterations whatsoever should be made.

5. COMMUNICATION WITH WORKERS

According to the standards, the FPC is accountable to the workers for the administration and use of the Fairtrade Premium. Accountability means that FPC members are responsible for their decisions and actions and are required to explain them to others. The FPC is responsible for informing and consulting workers and should regularly brief them about the activities carried out and the progress being made in the project implementation. Therefore, regular consultation with and informing of workers is one of the principal tasks of the FPC. This can be done by different means, formal and informal. The language the FPC uses to communicate with the workers should be understandable to all; in most cases this will be the local language. For more information on consultation and information, see Fairtrade International *Explanatory Document for the Fairtrade Premium Committee in Hired Labour Situations*.

Here, we focus on a few forms of communication between the FPC and workers:
(a) General Assembly

The General Assembly (GA) is the meeting of all workers. The ordinary GA takes place at least once a year. It is the formal platform where the FPC gives an account to the workers of its work. It is the GA which approves the Fairtrade Premium Plan, each project and each decision to invest premium money. The GA is referred to in the standards:

- 2.1.4: Terms of reference must be approved by GA;
- 2.1.4: All decisions on Fairtrade Premium use are approved by the annual GA;
- 2.1.15: Each project must include date of approval by GA;
- 2.1.16: FPC leads a GA of all workers at least once a year;
- 2.1.16: The purpose of the GA is to report on the activities carried out with FP money and on the progress of existing projects;
- 2.1.16: GA democratically approves the Fairtrade Premium Plan;
- 2.1.17: GA receives information about risk assessment undertaken for all major projects;
- 2.1.17: GA agrees on the classification of major projects determined in advance by the FPC;
- 2.1.18: Monitoring and Evaluation report must be brought to a GA;
- 2.1.20: Cash distribution must satisfy requirement 2.1.19, be presented in the Fairtrade Premium Plan (2.1.15) and democratically approved in a GA of workers (2.1.16)

The timing of the ordinary GA is usually fixed by the FPC’s constitution. It should be held not later than three months after the ending of the business year. It should be planned and convened well ahead; ideally, it is included in the yearly calendar of the FPC. The procedure for preparing and conducting the GA is very similar to that of the FPC meetings described above. The agenda should be approved by the whole FPC before it is made public. The agenda for the ordinary GA should include:

<table>
<thead>
<tr>
<th>AGENDA OF ORDINARY GENERAL ASSEMBLY N°</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company and country:</td>
</tr>
<tr>
<td>Organization:</td>
</tr>
<tr>
<td>Date and time of meeting:</td>
</tr>
<tr>
<td>Venue:</td>
</tr>
<tr>
<td>1) Opening by the chairperson</td>
</tr>
<tr>
<td>2) Establishment of quorum</td>
</tr>
<tr>
<td>3) Approval (or amendment) of agenda</td>
</tr>
<tr>
<td>4) Approval (or amendment) of minutes of last GA</td>
</tr>
<tr>
<td>5) Matters arising from minutes</td>
</tr>
<tr>
<td>6) Presentation of annual report from the FPC</td>
</tr>
<tr>
<td>7) Presentation of financial report from the FPC</td>
</tr>
<tr>
<td>8) Presentation of the report from the external financial auditor⁴</td>
</tr>
<tr>
<td>9) Presentation of the annual report from the Internal Audit Committee⁵</td>
</tr>
<tr>
<td>10) Presentation and approval of Fairtrade Premium Plan</td>
</tr>
<tr>
<td>11) Presentation of budget for new business year</td>
</tr>
<tr>
<td>12) Any other business</td>
</tr>
<tr>
<td>13) Date of next meeting (if applicable)</td>
</tr>
<tr>
<td>14) Closure of meeting</td>
</tr>
</tbody>
</table>

⁴ This is applicable only if the organization has appointed an external financial auditor.
⁵ This is applicable only if the constitution provides for the establishment of an Internal Audit Committee.
Since the ordinary GA is usually held once a year, it is recommended that extra-ordinary GAs be held at shorter intervals, according to the intensity of the FPC's activities. More frequent GAs deepen the communication between the FPC and workers. They create a climate of dialogue and trust and encourage workers to participate and engage. They serve for giving updated information on FPC activities, particularly on the progress of planned and running projects and on the financial situation. They allow the FPC to consult workers on new project ideas and ask for their feedback. The agenda is very similar to that of an ordinary GA. Instead of presenting the annual report and workplan, the FPC informs those present about the ongoing activities and new initiatives it intends to take.

The minutes of the GA, ordinary and extraordinary, are equally important. The format can be the same as suggested for the FPC minutes. Instead of putting the names of the participants in the minutes it is advisable to circulate an attendance list where everyone writes their name. The list is then attached to the minutes. The approved minutes should be signed by the chairperson and the secretary.

Minutes of elections are particularly important. Standards clause 2.1.9 requires that the election process must be in the line with the terms of reference or constitution of the legal body and properly documented. The election minutes should include:

- The list of workers participating in the election
- The election procedure in line with the terms of reference (voting by show of hands, lining behind candidates, or secret ballot, etc.); how candidates were named (lists, or proposed by sections, or spontaneously named at the meeting); have seats been reserved for specific groups (female workers, seasonal workers, etc.)
- The names and gender of all candidates and the section/area in which they work
- The number of votes each candidate has obtained
- The names and gender of the candidates who have been elected
- If the GA itself elected the office bearers, the names of the elected office bearers and the number of votes they obtained.
- If the office bearers were elected by the FPC (according to what the constitution determines), the election should take place in the first FPC meeting and be clearly described in the minutes.

(b) Delegates System

In large companies (> 500 workers), instead of the General Assembly, a Delegates System with an Assembly of Delegates, with the same power and duties as the GA, is recommended as best practice. For more details about the Delegates System, see the Fairtrade International Training Manual *Fairtrade Premium Committee Principles*.

(c) Meetings with Workers in Smaller Groups

Besides the General Assembly, the FPC should establish forums to meet workers in smaller groups. The most usual are meetings of each FPC member with their own constituency, normally in the section they represent. These meetings are a useful complement to the GAs. Thanks to the lower number of attendees they allow more active participation. Ideally these meetings should take place after each FPC meeting. They should serve to inform on the discussion and decisions of the FPC and to listen to the workers' concerns and feedback. This direct dialogue is more effective than just placing information (like the FPC's minutes) on the noticeboard.
As well as meetings by section or work areas, the FPC might find it useful to meet with groups of workers with similar interests. For example, if workers have formed groups to propose projects, they should have the opportunity to discuss their initiative with the FPC. This might be the case for women's groups who have specific needs that their male colleagues often oversee. The FPC should also actively help disadvantaged or minority groups (such as migrant or temporary/seasonal workers) to organize and express their needs to the FPC.

The question arises whether these meetings with groups of workers should observe a minimum of formalities. It would probably be unrealistic to expect that each FPC member writes minutes of their meetings with workers in their section. However, to establish a certain discipline, it is recommended as best practice that the FPC lays down some basic rules for these meetings (frequency, time, agenda, etc.), and that each FPC member should keep records with basic data about these meetings (date and duration, section/work area, number of persons attending, topics dealt with, etc.). The FPC should monitor compliance by checking these records.

(d) Introduction of New Workers

The responsibility for informing and training workers on Fairtrade matters lies primarily with management (Capacity Building standards clause 2.2.1.). However, the FPC should also feel responsible for informing new workers about the Fairtrade Premium and the premium projects. This is particularly important for temporary and seasonal workers. It is suggested that the FPC should from time to time (and particularly after a large group of seasonal workers has started working) organize meetings with the new workers to give them an introduction to Fairtrade and particularly on the premium and its benefits for workers.

(e) Relationship FPC – Trade Unions or other worker organizations

The roles of the FPC and Trade Union or other worker organization are different and clearly defined by the standards. The FPC is an independent body responsible for managing the Fairtrade Premium. The Trade Union or worker organization organizes, negotiates and defends the rights and interests of the workers. The roles and duties of the FPC and the Trade Union should be clearly distinguished.

In spite of this clear division of tasks, confusion over the roles and relations between the two committees may arise. If the union has been present for some time and the FPC is newly established, the union might not fully understand the necessity for another body and feel threatened by the FPC. This can lead to conflicting situations and create confusion and even division among the workers. The presence and work of a FPC must not undermine the work of the Trade Union or other worker organization.

Both bodies should understand that each of them has a fundamental responsibility in the implementation of the Fairtrade programme; both are of equal importance, though with different duties. Both care for the welfare of the workers, each one in its sphere of action. Fully respecting each other's autonomy, they should establish a relationship of cooperation whenever possible.

One area of cooperation is, for instance, the organization of training for workers and their representatives regarding workers' rights and duties. To help build a good and trustful
relationship between the two bodies, the FPC might invite the shop stewards or other worker organization to sit on the FPC as an observer if no official from the Trade Union or other worker organization has been elected onto the FPC.

If workers choose to use up to 20 percent of the premium as a Fairtrade bonus then the FPC must consult with the Trade Union or workers’ representatives to ensure that the collective bargaining process is not undermined.

6. COMMUNICATION WITH FAIRTRADE INTERNATIONAL

Fairtrade International is made up of three actors:

- **Fairtrade Labelling Organizations International e.V.**, the international umbrella organization of the Labelling Initiatives, is responsible for standard setting and producer support. It also offers support to the FPCs through the local liaison officers (LO) or regional producer network (PN)
- **FLOCERT GmbH** is responsible for inspection and certification.
- The **national Labelling Initiatives (LIs)** are responsible for the promotion of Fairtrade products in their respective countries.

As the FPC, you will have to deal with all of these organizations.

(a) With **FLOCERT** you will communicate regarding inspection and certification. FLOCERT inspectors will certainly meet with the FPC during inspection. For this meeting you should have all of your files and the requested information ready.

(b) With **Fairtrade International e.V.** you will communicate if you need support. The department responsible for producer support (including FPC support) is the Producer Services and Relations (PSR). Fairtrade has published a series of information and training materials especially for FPCs. You can find these on the website [http://www.fairtrade.net](http://www.fairtrade.net) For support in the field you have two options. One is to contact the Fairtrade liaison officer (LO) in your country. The LOs offer information, advice and training to producers, helping them to comply with Fairtrade Standards and seize new market opportunities. You can also refer to your regional producer network which supports producers and workers.

(c) Representatives of national **Labelling Initiatives** may visit your company (maybe together with market partners). During their visits they are interested to understand what you are doing. They may wish to visit premium projects and may ask you many questions such as:

- What has changed for you since the company became Fairtrade-certified?
- How do you benefit from the premium projects?
- What message about Fairtrade would you give to consumers if you could talk to them?
7. INTERNAL ORGANIZATION

This section deals with some practical issues of internal organization and administration. It should help making the work of the FPC more efficient and effective. It gives advice about how the FPC should work as a team and avoid power politics. It presents suggestions about how to make good use of resources such as time, know-how and information.

(a) Teamwork

To function well the FPC needs to assign certain tasks and responsibilities to individual members. The chairperson and the other office holders are entrusted with specific duties. However, this division of labour among the FPC members should not give them extra power. The chairperson should act as a coordinator and facilitator and not as the superior of the FPC or the workers. The same is true for the other office holders; they have a technical function that cannot be carried out by the team as a whole, but they are still part of the team and accountable to it. For good teamwork, the FPC and all of its members should remember that:

- The chairperson and the office holders are acting on behalf of the whole FPC and are accountable to the FPC.
- Good information flow among all FPC members is very important. No FPC member or group of FPC members should monopolize information. Information must always be shared within the whole FPC and in a language understandable by all.
- Decisions must always be taken in formal FPC meetings that have been convened according to the rules. In no circumstances should decisions be taken in informal gatherings of some FPC members without the knowledge of the others.
- Fast track decisions outside of a FPC meeting can be agreed to on an exceptional basis only in an emergency situation, and the definition of emergency situation has to be in the FPC Rules and Regulations. For such a decision to be valid, all available FPC members should give their consent in writing. The decision must be ratified at the next formal FPC meeting.
- Working in a team is a learning process. Regular coaching will help a lot to improve team performance. Request support from LOs, regional producer networks or source other professional assistance.

The management advisors in the FPC have a particularly role (Standards clause 2.1.13). Management advisers must actively and responsibly participate in the FPC, and as advisors, must assist and support the workers in the administration of the Fairtrade premium.

Management advisors have non-voting advisory roles but they do have the right to block expenditure that would violate the rules for premium use. For example, if the proposed Fairtrade Premium use is illegal or if it has a demonstrable negative structural, financial or social impact on the company.

Management advisors should guide and advise the FPC on suitable projects, and develop communication channels and documentation about Fairtrade. Management advisors have to attend the meetings regularly, act as facilitators and share their experience and knowledge with the workers in order to reach the objectives. Management advisors together with worker representatives are equally responsible for the functioning of the FPC.
(b) Sub-Committees

Sub-committees can be a tool for streamlining the FPC work and for encouraging participation, especially on larger plantations or on plantations with high premium turnover. Sub-committees must have a job description that clearly defines their areas of responsibility. They should always have a clear assignment; it does not make sense to create sub-committees without specific tasks and congruent responsibility. Also, sub-committees should observe the same working principles as the FPC with regard to efficiency and effectiveness (see section 4, above, FPC meetings). We can distinguish two types of sub-committees:

- **Internal** sub-committees comprising only FPC members. Appointing sub-committees might be helpful in larger FPCs for distributing the workload. Sub-committees may be entrusted with tasks in the preparation and implementation of the FPC’s decisions. Internal sub-committees may have limited decision-making power within clear boundaries set by the FPC. They should **never** decide on strategic or budgetary issues, e.g. on projects, hiring personnel, procurement contracts, etc. They are accountable to the FPC and should report at regular intervals to FPC meetings. Examples of sub-committees:
  - **Project committees** for planning and implementing specific premium projects. They may prepare the project proposal, which must be analysed by the FPC and approved by the GA. Once the project is approved, they may be given the responsibility to direct the project implementation. They are bound by the project outline and the project budget.
  - **Tendering committee** for the preparation and negotiation of contracts. It must be bound by a clearly established tendering procedure. The committee can be permanent or ad hoc. Ad hoc means it is appointed for only one tendering process and then ceases to exist. An ad hoc committee is appropriate for processes that occur only once, such as hiring personnel or contracting a consultant for a study. A permanent committee is advisable for recurring processes, like procurement of construction materials or buying inventories for projects. The sub-committee should not take the final decision, but make a pre-selection of options that can then be submitted to the FPC for final decision. A tendering committee is particularly subject to pressure, favouritism and corruption. It should, therefore, consist of people who are responsible and have integrity, and should always include a high-ranking management representative. Irregularities in tendering will not only create disharmony among the FPC and the whole workforce, but might blight the image of the company as well.
  - **Committee for training and capacity building** is responsible for identifying the training needs for the FPC, other committees and the workers in general and for organizing training events. It elaborates proposals with budgets to be included in the Fairtrade Premium Plan. The FPC could invite a representative of the union or worker organization to sit on this committee.
  - **Committee for communication** is responsible for providing information to the workers and the community, if applicable.

- **External** sub-committees comprising FPC members and non-members are useful for fostering participation and capacity building. External committees might be a good choice for the preparation and implementation of certain projects. It means that members of the group or community that benefit from the project participate in the sub-committee responsible for the project management. This enhances project ownership. It widens the group of people assuming responsibility and developing project management ability.

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6 On the meaning and content of the tendering procedure see Fairtrade International Training Manual

*Fairtrade Premium Committee Financial Management.*
External committee members may be workers and/or community members. The sub-committee should always be presided over by an FPC member who also acts as a link to the FPC. External sub-committees may have limited decision-making power, clearly defined, and remaining within the boundary and budget of the project.

(c) FPC Support Personnel

For FPCs with a high turnover and many projects, the workload may become too heavy. We have to take into account that FPC members are first of all employees of the company with a demanding job. Although management is required to relieve them partly from their duties and give them time for the FPC's work (Standard clause 1.2.3.), there are limits to the workload a FPC member can carry. Also, for certain tasks related to premium management (such as bookkeeping) technical skills are required which the FPC members cannot be expected to have. For these cases – heavy workload and the requirement of professional skills – the FPC may outsource certain tasks by contracting support personnel, either permanently or for a limited period, and pay their remuneration with premium money.

The Fairtrade standards do not give rules on this issue. For hiring support personnel, the FPC should remember that:

- Ultimate responsibility for managing the premium on behalf of the workers and the certifying body remains with the FPC.
- All support personnel must be hired by the FPC. They work under the sole authority of the FPC and are accountable to the FPC. Of course the FPC can delegate this authority to one or several FPC members or a sub-committee, if convenient.
- The decision about whom to hire and under which conditions is taken exclusively by the FPC.
- All hired personnel, even if hired for a limited time or a limited task, should have written contracts that comply with the Fairtrade standards and the law.
- All personnel hired by the FPC should have a job description, which states to whom they report.
- Part-time or service contracts can be given to employees of the company, but not to FPC members. If an FPC member is given a contract, it is recommended as best practice that they resign from the FPC to avoid conflicts of interest (you cannot be boss and employee at the same time).

Examples of jobs that can be outsourced to hired personnel:

- **FPC accountant:** The bookkeeping for the premium should be done by a professional accountant. In some cases, the company accountant can help; but if high premium volumes are at stake, the contracting of the services of an independent accountant is preferable. Usually the accountant comes once a month to register the entries of the month and prepare the monthly financial statement. At the end of the year, they prepare the annual financial statement. The role of the accountant in relation to the FPC treasurer is explained in more detail in the Fairtrade Training Manual *Fairtrade Premium Committee Financial Management*.

- **Legal body administrator:** The need for an administrator should be carefully analysed. It is only justified by a high premium turnover and a significant number of projects with administrative tasks that require permanent attention. The profile of the administrator must be thoroughly defined. The indispensable skills required are:
In-depth knowledge of development
- Experienced in managing social projects and in working at grassroots level
- Communication and facilitation ability
- Organizational and administrative ability

Besides the professional qualifications required, an administrator should possess personal qualities such as integrity, open-mindedness, humility. The administrator should be loyal to the FPC and the workers, and not have their own agenda. Even if their professional abilities might exceed those of the FPC members, they should not feel superior but adopt an attitude of service and support.

The job description should clearly define the role of the administrator, their tasks and responsibilities. Among others, their duties could be:
- Implement the decisions of the FPC and any other tasks assigned to them by the FPC
- Assist the FPC (or its sub-committees) in the identification, preparation of proposals, implementation, monitoring and evaluation of development projects
- Assist the FPC in the preparation of reports and workplans and budgets
- Support office holders in their duties (preparation of meetings, writing of minutes, etc.)
- Keep the FPC's records and files
- Keep time plans and remind all concerned persons about the procedures
- Facilitate communication among the FPC members and between the FPC and its sub-committees

The administrator should not:
- Have voting rights in the FPC
- Sign checks and other financial instruments
- Sign contracts, letters and other documents on behalf of the FPC
- Be an employee of the company at the same time

It is important to note from these suggestions for a job description that the administrator has no authority over the FPC, sub-committees or workers and no decision-making powers. They are not meant to take over the duties and responsibilities of the FPC, but merely to assist the members and relieve the members from routine work and administrative tasks.

(d) Time Management

Time is an essential factor in the work of the FPC and often a source of conflict with management and supervisors. Fairtrade standards 1.2.3 and 2.1.11 establish the obligation for certified companies to allocate time during regular working hours:
- For regular meetings of the FPC.
- For regular meetings of the FPC with the workers.
- For workers, especially FPC members, to perform their duties related to the Fairtrade programme. (This refers particularly to office holders who have FPC work to do between meetings.)

Standard 2.2.2 refers to the training of FPC members and also to the time required for training, which should take place partly during working hours and must be repeated for each newly-elected or appointed representative

The fact that the time issue can cause conflict shows how valuable time is. Time, therefore, should be used well. If the company gives time for FPC work, it also has the right to insist that there is no abuse and that the time given is used efficiently. To prevent conflict, clear and transparent rules for time use should be established. The FPC itself can help setting these rules. Some suggestions:
• Regular meetings (of the FPC and between the FPC and workers) should be planned well ahead by setting date and hour (best practice: establish a calendar indicating dates and times for the whole year). For extra meetings, not scheduled in the calendar, management must be asked for permission.

• The duration of meetings should also be planned in advance, according to the agenda. As a rule, meetings should never last more than two hours, because concentration weakens and the meeting becomes inefficient. It is better to hold shorter but well-focused meetings.

• To find out how much time the FPC members need for tasks between the meetings, registering the time is extremely helpful. You can use an individual time management form, like the following sample:

<table>
<thead>
<tr>
<th>Date</th>
<th>Start time</th>
<th>Stop time</th>
<th>Number of hours</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

• This time sheet can become an official tool for the company. It could be used for authorizing and controlling absence from work for FPC business. For this purpose, the form would need one or more additional columns for authorization/control by the competent superior(s). Only time off that is authorized and recorded in the time sheet would be recognized as work time and paid for.

• Instead of asking for permission for each period of time off, the FPC might negotiate with management that office holders be relieved from work for a certain number of hours at a fixed time of the week. The time sheet can help to establish the time you actually need.

• Management is encouraged to help establish a system that regulates the use of work time for FPC members without putting them in a permanent condition of petitioners. The rules should be clear and binding for both sides, i.e. the time assigned for FPC work should be respected and the work done during this time considered as valuable as any duty in the business operation.

(e) FPC File

The file is an indispensable working tool for the FPC. It should be organized in such a way that information is up to date and can be found easily by anyone who needs to work with it. It is advisable that each FPC member has a personal file with the information they need regularly. Here we deal with the central FPC file, which must contain all documents and information that the FPC owns and needs for its operations. The FPC can have an electronic file on the computer. But it will always need a complete file in hard copy for safety reasons and because legal documents do not exist in electronic form. The following guidelines for organizing and keeping the central FPC file refer to the hard copy file:
The file should be kept in a safe and lockable place on the company premises. It is the obligation of the company to provide space for keeping FPC equipment and files (Standard clause 1.2.3.). FPC members must not keep FPC files at their homes. FPC members and other authorized people should have access to the file at all times during working hours. Unauthorized persons should not have access to it.

A person should be in charge of the file (a file keeper). Usually this should be the FPC's secretary, but the FPC can appoint another file keeper, e.g. the administrator or an office assistant. The financial files are usually kept by the treasurer.

The file keeper is responsible for organizing the file, for filing incoming documents regularly and for having control over documents that are taken from the file. They should make sure that the file is complete, i.e. that all documents related to FPC business are put in the file. If convenient, documents could be numbered.

Only authorized people should take documents away from the place where the file is kept. They should sign a control sheet indicating the name (and number, if applicable) of the document, the date and hour, and the name of the user.

The FPC file should be organized to make the finding of documents easy. Suggestions for organizing the file:

- Legal documents such as the registration of the organization and the correspondence related to it
- Constitution, rules and regulations and other internal guidance documents
- Fairtrade standards and other Fairtrade guidance documents and manuals
- Fairtrade Premium Plan and annual reports
- Minutes of FPC meetings and General Assemblies
- Personnel file with contracts and other documents related to support personnel
- Premium projects (a separate file for each project)
- Training and capacity building
- Correspondence, in chronological order or alphabetically by addressee
- Financial files with the financial records and books, financial reports, bank documents and other documents supporting financial transactions (such as quotations, procurement contracts, receipts, etc.). The financial file can be divided into a central file for all activities related to the main premium account and separate files for each project. The check-books and bankbooks should not be kept with the files, but in a safe.
- Any other files according to need.

(f) **Handover from Outgoing to Incoming FPC after Election**

The transfer from the outgoing to the incoming FPC after elections is often poorly managed. Instead of a smooth and organized transfer, the change is often chaotic. Sometimes even the FPC files are not properly handed over. The consequence is the loss of valuable information and experience, to the detriment of the workers.

There are different steps in the transfer from the outgoing to the incoming FPC:

- **Report to the General Assembly**: Before the incoming FPC takes office, the outgoing FPC should present its final report to the GA and be relieved of its responsibility by the GA.
- **Handover of the FPC files**: The incoming FPC must be sure that the complete file is handed over and that no piece is missing. Best practice is to establish a written record with a detailed list of all files, which is signed by the outgoing and the incoming file keepers.
• **Handover meeting**: The aim of the meeting is to make sure that information and experience is passed on. The outgoing FPC should give an exhaustive report to the incoming FPC on the state of affairs (activities and projects in planning and being implemented). It should also report on any existing problems. If the new FPC is taking office during the business year, and thus takes over the workplan and budget elaborated by the former FPC, an update on the workplan and budget status is particularly important. Best practice is to hold a full-day meeting, ideally with an external facilitator.

• **Handover between office holders**: The outgoing chairperson, secretary and treasurer should introduce the new office holders and, if requested, assist them in the beginning.
APPENDIX:

A. FPC Calendar of Activities and Events (Sample Spreadsheet)

Please download the spreadsheet (Excel) from our webpage
B. Proposed text elements for a master presentation

1. Fairtrade Premium Planning
Planning has to do with time; it means making arrangements for the future
Main planning tool of FPC is yearly Fairtrade Premium Plan
Fairtrade Premium Plan is elaborated in following steps:
   - Consultation with workers to understand and reflect on their needs and collect project ideas
   - Analysis of ideas by the FPC to select projects according to priority
     (Best practice is planning workshop with external facilitator)
   - Bring the plan for GA approval into a written form, in three parts:
     a) Fairtrade Premium Plan – template provide by Fairtrade is a useful tool
     b) Budget = the plan expressed in monetary terms
     c) Calendar of activities = the plan expressed in time

2. Monitoring, Evaluation and Reporting
Monitoring is ongoing checking of activities against the plan
Evaluation is checking progress and plan fulfilment at a specific moment of time
M&E should not only be applied to projects, but to the Fairtrade Premium Plan as a whole
M&E ensures quality, allows corrections or adaptations and helps learning from past experiences
Annual Report is opportunity to evaluate achievements and failures at year’s end
Best practice is collective reflection in evaluation workshop
Questions that guide the evaluation:
   - Relevance
   - Effectiveness (did we do the right things?)
   - Impact - beneficiaries
   - Efficiency (did we do things right?)
   - SWOT analysis
Result of evaluation is written report - Fairtrade Premium Activities Reporting Template
Financial report complements narrative report

3. FPC Meetings
FPC meetings are the main tool for FPC to work as a team
Quality of meetings is crucial for success.
Quality depends on several factors:
   - Good preparation by chairperson, secretary and all FPC members
   - Structured agenda including all mandatory items
   - All FPC members receive written agenda >3 days in advance
   - Chairperson guides meetings in a democratic and participatory way
   - Efficient and effective development of meetings, result-oriented
   - If no resolution is reached, tasks to advance subject should be assigned
   - Clear and transparent decision-taking
   - Numbered minutes as accurate records of meetings and decisions
4. Communication with Workers
Consultation with and informing workers is principal task of FPC
Different forms, formal and informal
General Assembly (GA) of all workers is formal setting for reporting to workers
Ordinary GA at least once a year, at the end of business year to report on the plan implemented and obtain GA approval for next year’s plan
Main agenda items are: Annual Report, financial report and Fairtrade Premium Plan for next year
Extraordinary GAs are recommended to foster dialogue and participation
Less formal means of communication with FPC workers are meetings with workers’ groups
Most usual are meetings of FPC members with workers in their area/section
Best practice is meeting after FPC meetings to inform on decisions and get feedback
New workers should be introduced by FPC to Fairtrade Premium, projects and benefits
Good communication and coordination between FPC and union/worker organizations is necessary in order to avoid conflicts and create synergies

5. Communication with Fairtrade
With Fairtrade International e.V. for support and training
With regional Producer Network for support and training
With FLOCERT for inspection and certification
Possible visits from Labelling Initiatives

6. Internal FPC Organization
Teamwork
Each FPC member should be assigned certain tasks
FPC should work as a team and take decisions jointly in meetings
Good information flow among all FPC members is crucial
Chairperson and other office holders have specific functions, but no decision-making power outside or above the FPC
Management representatives share responsibility and are equally accountable
They should contribute with their know-how, but not lead or be in control of FPC

Sub-Committees
Sub-committees can be a means for distributing workload and encouraging participation
To be effective, they need a job description defining tasks and responsibilities
They can never take decisions reserved for FPC or GA (approval of projects, budgets and contracts)
Sub-committees can be internal (FPC members only) or external (including non-FPC members)

Sub-committees might be established for the following purposes:
- Project committees for preparation and implementation of specific projects
• Tendering committee for undertaking bids and negotiation of contracts (Final decisions are taken by FPC)
• Committee for training and capacity building
• Committee for communication

FPC Support Personnel
Appropriate for FPCs with high turnover and complex projects, to ease workload of FPC
Also recommended if specific technical skills are needed (for example: accounting)
Support personnel must be hired by FPC and work under instruction and supervision of FPC
Decision-making power and ultimate responsibility remains with FPC
Possible jobs to be outsourced to support personnel:
  • accountant, usually hired on basis of service contract
  • administrator, for administrative and organizational support
    (Should be carefully selected according to profile requiring professional skills and personal qualities)

Time Management
Time issue can cause conflicts
Company must allocate time for FPC work
Time should be used well and efficiently controlled
Best practice is establishing official and approved time schedule for meetings
Time for FPC work outside meetings (particularly for office bearers) should be agreed between management and FPC according to need
Best practice is using individual time management sheet to know how much time is needed for which type of work

FPC File
FPC file is an important and indispensable working tool for FPC
The FPC should have a central FPC file in hard copy
The file should be managed according to the following guidelines:
  • File is kept in a safe and lockable space at company or independent organization office
  • Besides FPC members, only authorized persons have access to file
  • A person in charge of the file (file keeper) keeps it complete and updated
  • File is organized by items to make finding of documents easy

Handover from Outgoing to Incoming FPC after Election
Handover from outgoing to incoming FPC is often poorly managed
Poor handover means loss of information and experience
Handover should be done according to the following steps:
  • Report of outgoing FPC to General Assembly
  • Controlled handover of FPC files, with list of files signed by both parties
  • Handover meeting between outgoing and incoming FPC
    (Aim is transfer of information on ongoing work and problems encountered)
  • Handover between office holders