## Interpretation Notes

<table>
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<th>Date</th>
<th>December 20th, 2019</th>
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<td>Reference</td>
<td>HL-INT</td>
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**Affected standard requirements**

**Definition of workers and purpose of the Fairtrade Premium**

Workers are defined as all workers including migrant, temporary, seasonal, sub-contracted and permanent workers. Workers are waged employees, whether they are permanent or seasonal/temporary, migrant or local, subcontracted or directly employed. Workers include all hired personnel whether they work in the field, in processing sites, or in administration. The term is restricted to personnel that can be unionised and therefore middle and senior and other professionals are generally not considered workers.

### 2.1.19 Purpose of the Fairtrade Premium

**Core**

The Fairtrade Premium **benefits** workers, their families and their communities through Fairtrade Premium projects that address their needs and preferences as decided and adequately justified by workers.

The Fairtrade Premium is **not used**:

- To meet any expenditure for which the company is legally responsible (e.g. health and safety requirements);
- To replace existing social and environmental expenditures of the company;
- To cover the running costs of the company;
- For costs of compliance with the requirements of this Standard or associated Fairtrade product Standards unless stated differently;
- To be involved in any activity which is illegal, fraudulent, could jeopardize the business or certification of the company or have a demonstrable negative structural, financial or social impact on the company;
- As salary supplements to individual workers.

**Guidance:** Projects that involve individual disbursements of non-consumable goods are allowable when these are accessible to all workers equally. These are not payments to workers that can be seen as salary supplements.

**Year 0**

If the local law allows the unionization of middle, senior and other professionals, could they benefit from the Fairtrade Premium?
No. Fairtrade aims to bring benefits to disadvantaged farmers and workers. Even if the national law allows middle, senior and other professionals to unionize, these employees are more likely to a secure and sustainable livelihood than other workers.

Examples of workers that can be beneficiaries from the Fairtrade Premium are:

- field workers (planting, harvesting, weeding, spraying etc.);
- supervisor/foreman/forewoman (coordinating, not sanctioning power);
- pack house and processing plant workers;
- maintenance workers (Plumber, electrician, builder, mechanic etc.),
- clerical workers (secretary etc.);
- other workers (driver, storekeeper, cleaner, cook, gardener, nurse, guards or security personnel etc.).

Senior and middle professionals / management (jobs with the right to take decisions including the right to hire, fire, formally discipline, promote and determine wages) cannot be beneficiaries from the Fairtrade Premium, examples of these jobs are:

- senior and middle professionals (engineers, company doctor, accounting trained personnel, senior supervisor, occupational health & safety practitioner);
- managers (HR manager, finance manager, admin manager, packhouse manager, quality control manager, production/field workers’ manager).