



FAIRTRADE LABELLING ORGANIZATIONS INTERNATIONAL

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# FAIRTRADE STANDARDS

FOR  
**Sports Balls**

FOR  
**Hired Labour**

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**Superseded previous versions:  
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**Period for stakeholders' comments and enquiries on this new version:  
Not applicable**

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[www.fairtrade.net/standards.html](http://www.fairtrade.net/standards.html)**

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<b>PART A Generic Fairtrade Standards for Hired Labour</b>
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Refer to the generic standard for Hired Labour as a separate document as updated by FLO on its website. Note that the following parts B and C are only applicable in connection with the generic standard.

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# **PART B Product Specific Standards for Sports Balls**

## **Introduction**

### **Application of the standard**

The Product-Specific Standard for Sports Balls is used in addition to the Generic Standard for Hired Labour. If generic standards set higher requirements than product-specific standards, they supersede in all cases unless stated differently.

This version of the Standard for Sports Balls supersedes all previous versions.

The explanatory notes on pages 2 to 4 of the Generic Standards for Hired Labour also apply to the Standard for Sports Balls, with the following clarification: this version of the Standard for Sports Balls becomes **applicable from January 10<sup>th</sup>, 2006** following its approval by FLO's respective standard-setting bodies. Indicated deadlines in its progress requirements refer to timelines after first certification against this new version. The certification body will determine deadlines for full compliance with this standard for all companies being certified against the previous version. However, the last deadline for full compliance with its minimum requirements shall be **December 31<sup>st</sup>, 2006**. The certification body shall also require and monitor substantial progress towards the newly introduced requirements before this last deadline.

### **Scope of the standard**

The Standard for Sports Balls applies to the manufacture of hand-made sports balls, which includes both stitched and moulded balls.

The standard applies to **all workers** who carry out work in factories, stitching centres and subcontracted units where Fairtrade balls are produced. The premises are managed directly by the sports ball manufacturing company or by a second party, for example a subcontractor.

This standard is applicable to all work that is within the value chain of the sports ball company (i.e. all stages of the production process from the acquisition of the raw materials to the export of the end product). The following core aspects of the value chain are covered by the company: lamination of casing (outside) material, drying of the casing material, cutting of panels, screen-printing of panels, kit preparation, stitching, quality control, and preparation for shipment. The company shall take responsibility for ensuring the compliance of any second party with both the Generic Standards for Hired Labour and the Product-Specific Standard for Sports Balls.

The workers who participate in the Joint Body (JB) are employed in the factory, factory-owned (or leased) stitching centres and subcontracted units.

### **Definitions**

Sports ball companies	Companies that manufacture sports balls, either within their own premises and/or in units subcontracted by the company.
Factory	A plant or premises consisting of one or more buildings in which workers manufacture sports balls. Factories are owned and managed by the sports ball company.
Factory-owned (or leased) stitching centres	Centres that are outside the factory premises and that are managed by employees of the factory. Work carried out in these centres is part of the value chain that is covered by the sports ball company. The function of a stitching centre is the stitching of panels to produce a sports ball.

Subcontracted Units	Subcontracted units are stitching centres that are owned/ leased and operated by independent agents who have entered into a subcontract with the sports ball company. Work carried out in these units is part of the value chain that is covered by the sports ball company. Subcontractors can work for more than one sports ball company at one time.
Piece-rate workers	Workers whose pay is based on a rate per unit produced or processed by the worker.

Requirements	Objectives and Guidance
<b>1 Social Development</b>	
<b>1.1 Minimum Requirements</b>	
1.1.1 The sports ball company takes responsibility for ensuring that all parties who carry out work that is within the value chain of the sports ball company comply with the Generic Standards for Hired Labour and the Product-Specific Standard for Sports Balls.	<p>The standards apply to all enterprises producing Fairtrade balls and all forms of hired labour. Due to the industry-specific and culture-specific needs that exist in large parts of the sports balls industry subcontracting and time-limited contracts are permitted throughout the whole year.</p> <p>Generic Standards for Hired Labour 1.5.1.13 and 1.5.2.3 give further guidance on regular work, permanent workers and subcontracting.</p>
1.1.2 The sports ball company maintains a record of all subcontracted units making Fairtrade balls.	Records should include the name of each subcontracted unit, the name of the person in charge of the unit, its location, and the work contracts provided to the unit, which are updated on regular intervals.
1.1.3 The sports ball company establishes and operates an internal system for monitoring subcontracted units and factory-owned stitching centres that are off-site.	<p>The sports ball company should establish and operate a monitoring system that ensures compliance with Fairtrade standards by its own off-site stitching centres and by all subcontracted units where Fairtrade balls are produced. An employee trained to carry out monitoring of stitching centres and subcontracted units shall be responsible for the operation and maintenance of the monitoring system.</p> <p>Documentation should include records of inspections, findings and any action taken. Records must be made available on request to the certification body.</p>
1.1.4 The sports ball company monitors compliance with the defined standards by ensuring that the management of factory-owned stitching centres and subcontracted units maintains sufficient records.	<p>These records should be kept in the stitching centres and subcontracted units and include the following:</p> <ul style="list-style-type: none"> <li>• name, address, age of workers</li> <li>• daily attendance</li> <li>• number of sports balls stitched on each working day per worker</li> <li>• wages paid per worker (and all deductions made)</li> <li>• advances paid to workers and the current</li> </ul>

	<p>balance of advance payments provided</p> <ul style="list-style-type: none"> <li>• number of balls received for stitching per day</li> <li>• total number of balls stitched per day</li> </ul>
1.1.5 The sports ball company establishes an inspection system to assure the compliance of subcontracted units with the defined standards.	<p>Inspectors from the sports ball company will regularly (on a monthly basis at least and without prior notice to the contractor) inspect the premises and records of its subcontractors.</p> <p>These inspections and their results are recorded, documented and made available to Fairtrade inspectors as and when required.</p>
1.1.6 In addition to the sports ball company's internal monitoring and inspection system the company ensures that impartial monitoring of subcontracted units is carried out on a regular basis.	<p>While the certification body is the primary organization responsible for carrying out independent monitoring and inspection against these standards, it may allow a third party to carry out some additional monitoring of subcontracted units. This may be needed if the number of premises that need to be monitored and inspected by the certification body becomes too large to ensure regular monitoring.</p> <p>Independent monitoring of subcontracted units should take place several times a year.</p> <p>The certification body and the sports ball company shall come to an agreement as to what type of third party monitoring is required (which agent, frequency of visits, scope, etc).</p>
1.1.7 In the case of a subcontractor committing serious and repeated violations of standards the sports ball company shall end its contract with the subcontractor.	<p>A serious violation would mean that the sports ball company could itself be de-certified if it continues the contract with the subcontractor, for example when a contractor does not pay the stipulated wages. Repeatedly means twice in less than 12 months.</p> <p>The Joint Body is expected to develop a workplan to ensure that workers will have access to premium benefits for a certain period of time in the case of the contract between the sports ball company and subcontractor being discontinued.</p>
1.1.8 The sports ball company ensures that no children are engaged in work in the factories, stitching centres or subcontracted units.	<p>Children are not permitted to carry out any type of work, regardless of length of time (see also the Generic Standards for Hired Labour 1.3.1.2).</p>
1.1.9 The sports ball company ensures that piece-rate workers in factories, factory-owned stitching centres and subcontracted units receive social benefits that are the equivalent of those received by permanent workers.	<p>Piece-rates and daily wages are a mode of payment. Casual workers have workers' rights and access to social benefits equal to permanent workers.</p> <p>With regard to social security a company may choose to provide health care services to all workers by itself. These services should be equal to or better than services provided by local government.</p>
1.1.10 With reference to the Generic Standards for Hired Labour 1.5.1.1 the sports ball company	<p>Minimum wages are not subject to change on the basis of the quality of work done. They are</p>

<p>ensures that all workers within the value chain receive at least the minimum wage stipulated by the government or earn the relevant industry average (whichever is higher) for whichever ball made (Fairtrade or otherwise). Piece-rate workers receive a rate that is calculated on the assumption that an average worker working ‘normal hours’ per month will be able to earn the minimum wage.</p>	<p>applicable to piece-rate workers in that the piece-rate is calculated to ensure that at the end of the month/day the worker receives at least the minimum wage on a normal working hour basis. This means that the total sum paid to a worker can be less than the minimum wage only if the worker works on average less than 8 hours a day. No deductions for quality, disciplinary or other reasons can bring the actual wage received below the minimum. If the money earned from piece-rate work is higher than the minimum wage, workers will get the higher amount.</p> <p>The management ensures that in factories, factory-owned stitching centres and subcontracted units, charts of piece-rates and a chart of the official minimum wage(s) are placed. The charts should be easily visible and printed in the local language. If the piece rates or the official minimum wage(s) change, the charts must be updated.</p>
<p>1.1.11 With regard to the Generic Standards for Hired Labour on Health and Safety (1.6) the sports ball company is responsible for the safety of all people working in factories, stitching centres and subcontracted units.</p>	<p>The Health and Safety Officer and Medical Officer of the sports ball company ensure that workers in subcontracted units and factory-owned stitching centres also work in a healthy and safe environment.</p>
<p><b>1.2 Progress Requirements</b></p>	
<p>1.2.1 Within one year after the application of this standard, the sports ball company signs a contract with subcontractors in which all relevant requirements are specified.</p>	<p>The contract between the sports ball company and each subcontractor includes Fairtrade standard requirements, relevant national laws and the procedures to be followed by the subcontractor.</p>
<p>1.2.2 Within two years after certification or after the application of this standard (in the case of sports ball companies that are already certified) the management ensures that all workers, including workers in subcontracted units will be provided with access to childcare facilities where required.</p>	<p>Childcare facilities are intended for children who have not yet reached the age for attending primary school.</p>
<p>1.2.3 Over time, the sports ball company will offer long-term piece-rate workers in factories and factory-owned or leased stitching centres permanent work contracts. The company will also encourage subcontractors to offer permanent work contracts to piece-rate workers more frequently.</p>	<p>Full-time workers who have worked for the sports ball company or subcontractor for more than three consecutive months or 180 days per year should be offered a permanent contract more frequently. This means that in the future more workers should be offered permanent work contracts.</p>
<p>1.2.4 Within two years after certification or after the application of this standard (in the case of companies that are already certified) the sports ball company will establish and operate a supplier assurance scheme.</p>	<p>The sports ball company should appoint a supplier assurance manager who is responsible for maintaining appropriate criteria and procedures to evaluate and select suppliers of raw materials and components that are critical to the production of Fairtrade sports balls. The supplier assurance manager is not necessarily hired exclusively for this task but may have other duties and responsibilities within the company.</p>
<p>1.2.5 The supplier assurance manager ensures that</p>	<p>As part of the supplier assurance schemes</p>

<p>suppliers provide sufficient evidence to demonstrate that they adhere to key aspects of national labour and environmental laws.</p>	<p>suppliers have to show that they adhere to the labour laws of their land on key issues at least, such as wages, social services and benefits.</p> <p>The supplier assurance scheme shall also contain an environmental policy for ensuring the sound sourcing of raw materials.</p> <p>The supplier provides the supplier assurance manager with documentation on, for example, relevant industry norms, internationally recognized social and environmental certification schemes, etc.</p>
<p>1.2.6 The sports ball company will ensure that PVC and other potentially dangerous synthetics used in Fairtrade sports balls are sourced from suppliers who can demonstrate that the synthetics have been produced and waste has been disposed of in a sound manner.</p>	<p>The main risk to the environment and to health emerges from the release of chlorine during the production of PVC. The supplier assurance manager will ensure that the supplier has taken appropriate measures to minimise the risk to health and the environment.</p>
<p><b>2 Economic Development</b></p>	
<p><b>2.1 Minimum Requirements</b></p>	
<p>2.1.1 As well as compensating for lost income when workers, including subcontracted workers, need to attend Joint Body (JB) meetings, their travel costs and other JB related expenditures are reimbursed (see also Generic Standards for Hired Labour 2.1.11 and 1.1.1.6).</p>	
<p>2.1.2 When choosing a venue for JB meetings the needs of workers whose work is based away from factories and who would have difficulty travelling are taken into account.</p>	<p>Since the mobility of female workers in large parts of the sports ball industry is constrained, the needs of female workers in particular should be considered when choosing a venue for a JB meeting.</p>
<p>2.1.2 The JB composition should have a majority representation of workers. Of this worker representation at least 50% should be workers from stitching centres and subcontracted units. The number of JB representatives from stitching centres and subcontracted units should be proportional to the number of workers they represent (see also Generic Standards for Hired Labour 2.1.3).</p>	
<p><b>3 Environmental Development</b></p>	
<p>There are no additional environmental standards specific to sports balls producers.</p>	

## **PART C Trade Standards for Sports Balls**

### **1. Product Description**

1.1 The trade standard for sports balls applies to all hand-made sports balls, which includes both stitched and moulded balls.

### **2. Prices, Premiums and Compliance Costs Compensation**

2.1 Fairtrade prices for sports balls are established with the following price formula:

Contract Price + Fairtrade Premium + Fairtrade Compliance Costs Compensation

2.2 The Contract Price shall be an FOB (free on board) price negotiated between buyer and seller. The Contract Price at a minimum matches the average price for the relevant quality, and covers the cost of production at least.

2.3 The Fairtrade Premium is set at 10% of the Contract Price.

2.4 To cover the cost of complying with Fairtrade standards the sports ball company may invoice a surcharge up to a maximum of 5% of the contract price as Compliance Costs Compensation.

2.5 The Compliance Costs Compensation is invoiced separately from the Contract Price and the Fairtrade Premium.

2.6 The sports ball company must document how the Compliance Costs Compensation has been used (e.g. investments for developing and maintaining monitoring and inspection systems, additional administration costs to maintain standard compliance, etc.).

### **3. Transaction of Fairtrade Sports Balls**

3.1 Fairtrade sports balls must be handled by all actors through the supply lines in such a way to avoid mixing with sports balls from other non-Fairtrade labelled production. Transactions are documented in such a way that the full traceability of every transaction is guaranteed.

### **4. Information Rights and Obligations**

4.1 Clear written agreements exist for all Fairtrade transactions with all involved parties at all levels of processing and marketing up to the export level.

4.2 All involved parties undersign those agreements with FLO which guarantee the required transparency of all Fairtrade transactions.

### **5. International Customary Conditions**

5.1 All international customary conditions apply unless overruled by any of the FLO conditions as specified in this standard or in other agreements with FLO