



TRAINERS' MANUAL

ON ORGANIZATIONAL DEVELOPMENT,

LEADERSHIP & GOVERNANCE FOR

SMALL PRODUCER ORGANIZATIONS (SPOs)



Copyright Fairtrade Africa 2023



All rights reserved. None of the material provided in this publication may be used, reproduced, or transmitted, in whole or in part, in any form or by any means, electronic or mechanical, including photocopying, recording or the use of any information storage and retrieval system, without permission in writing from Fairtrade Africa.

The material presented here is for informational purposes only. Fairtrade International grants permission to use the information for personal, non-commercial use, without any right to resell or redistribute information or to compile or create derivative works therefrom.

Co-Funding Information



This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of Fairtrade Africa and do not necessarily reflect the views of the European Union.

Table of Content

List of Acronyms	4
1.0 Introduction	5
1.1 What is this manual about?.....	5
1.2 How does this trainers manual work?	5
1.3 Welcome, Opening and Introductions	6
2.0 Module 1: Organizational Development.....	6
3.0 Module 2: Leadership.....	14
4.0 Module 3: Good Governance.....	22
5.0 Annexes.....	35
5.1 Organizational Development learning materials	35
5.2 Leadership learning materials.....	36
5.3 Good Governance learning materials.....	40



List of Acronyms

AGM	Annual General Meetings
FT	Fairtrade
FTA	Fairtrade Africa
GA	General Assembly
ILO	International Labour Organization
OD	Organizational Development
PWDs	People with Disabilities
SPOs	Small Producer Organizations
WFTO	World Fairtrade Organization

1.0 Introduction

1.1 What is this manual about?

This manual has been put together as standardised training material for training of Fairtrade Small Producer Organizations in Africa. This manual has been designed for use by trainers providing support services in strengthening and building effective SPOs.

The trainers' reference material incorporates adult learning techniques that identify and build on experience in respect of knowledge, skills and attitudes. As in all adult training, the training would be practical, demonstrative and participatory. Mix training techniques such as presentations, structured discussions, group discussions and presentations, participatory exercises, case studies, assessment/course evaluations etc. have been incorporated into the training sessions to enable learning that is relevant, and applicable to the job situation and meet the standard requirement of Fairtrade certified Small Producer Organizations.

This trainer manual consists of all relevant content and information that the training wants to convey. This has been presented as a training kit providing guidelines on how to deliver the training. The content of this manual are;

- **Module 1:** Organizational Development
- **Module 2:** Leadership
- **Module 3:** Governance

1.2 How does this trainers manual work?

The trainers manual consists of three (3) modules while each of the modules contains a number of subtopics. Every topic contains the following sections;

- **Key information:** This provides an overview of the content that needs to be transferred to participants. It will not be shared with participants, but rather will serve for the trainer as an overview of what is important.
- **Additional information:** This will provide extra information that might be useful for the trainer to get a better understanding of the topic.
- **Fairtrade Standards and Compliance Criteria** (if applicable): This provides an overview of the requirements and guidance of the Fairtrade Standard and FLOCERT compliance criteria. This

will ensure that all applicable requirements will be covered during the session.

- **Guidelines for the trainer:** This provides a step-by-step description on how to facilitate the session, including training methods to use, short evaluation to test learning and next step to start application.

The trainings sessions recommended for the training have been set up according to the Set up-Delivery-Finish (SDF) model. This approach is user-friendly model with a variety of training techniques to keep participants actively engaged. Training methods proposed to be used by the trainers are structured discussions, participatory exercises, peer-learning techniques, role plays, brainstorming, case study, etc. The SDF model consists of the following detailed steps:

SET UP

Attention: Get the attention of participants, for example by asking a question, showing something, telling a story related to the topic, etc. to gain their attention.

Title: The title of the topic.

Objectives: Explain what will be learned during this session.

Benefits: Explain the advantages when applying the knowledge (what is in it for them?).

Direction: Set the boundaries of session by explaining what will be discussed and what not

DELIVERY

Explanation: Provide details on the topic

Demonstration: Visualize the topic; use pictures, visuals, real materials but also examples and role plays. An activity to display or demonstrate knowledge or skill to be acquired by participants

Exercise: Get participants to do an exercise to learn through practice (doing). Learning by doing method

Guidance: Guide participants throughout the topic to ensure facilitator/trainer stay within the topic.

FINISH

Summary: Summarize the key information. The trainer just mentions the key points to participants. This can



also be activity based where participants are asked to share key lessons learnt during the training.

Questions: Allow the participants to ask any question or provide additional comments.

Evaluation: Test the understanding of participants by asking questions about the key information.

Next step: Mention how the learning can be put into practice

1.3 Welcome, Opening and Introductions

Objectives

By the end of this session, participants will:

- ☑ Introduce themselves to each other
- ☑ Be able to explain the objectives and set-up of the training
- ☑ Set objectives with respect to their own participation in the training
- ☑ Clarify expectations with respect to what the training will offer and demand
- ☑ Establish ground rules for their interaction as a group.

Time: 30 Minutes

Method: Individual presentations

Training materials: Flip chart, markers

Procedure:

1. Welcome all present to the training. Ask one person to pray
2. Trainer should introduce him/herself to participants and the name to be used during the training. Your organization, what it does, what you have been doing
3. Ask participants to introduce themselves and describe their background (apart from getting to know the participants, this will also allow a quick assessment of the level of knowledge, skills and experience of participants in terms of knowledge translation).
4. Trainer invites participants to share their expectation during the training. List them on the flip chart
5. Lead participants to set ground rules for the training and list them on the flip chart
6. Review the training programme with participants based on their expectations
7. Ask for questions about the training
8. Agree on the time schedules

2.0 Module 1: Organizational Development

Module framework

Topics	Learning objectives	Time
▪ What are Small Producer Organizations ▪ Functions of Small Producer Organizations ▪ Importance of forming Small Producer Organizations ▪ Characteristics of organised, successful and sustainable Small Producer Organizations ▪ Managing Small Producer Organizations ▪ Developing Small Producer Organizations through capacity building ▪ Group dynamics ▪ Importance of collective action	▪ Have a better understanding of SPOs and its functions, ▪ Know the Importance of forming SPOs, ▪ Know how to develop SPOs through capacity building, ▪ How to organise and manage SPOs effectively ▪ Understand group dynamics.	2 Hours 30 Minutes

Key information to trainer

Small Producer Organizations (SPOs) are formal rural organizations whose members are small scale producers who organise themselves with the objective of improving income through improved production, marketing, and local processing activities. Having a deeper understanding and functions of Small Producer Organizations will enable leaders deliver effectively whilst working within their defined mandate. Strengthening the SPOs through continuous capacity building programmes will equip leaders with the right knowledge, skills and attitudes to build resilient and sustainable SPOs delivering excellent services to its members.

What are Small Producer Organizations

Small Producer Organizations (SPOs) are formal rural organizations whose members are small scale producers who organise themselves with the objective of improving income through improved production, marketing, and local processing activities.

According to Fairtrade Standards; a small-scale producer organization is an organization where:

- ✦ at least two thirds (2/3 or 66%) of its members are small-scale producers,
- ✦ at least half (50%) of the products it sells as Fairtrade come from those small-scale/ family-based farms,
- ✦ up to one third of the members (33%) may be medium-sized farms,
- ✦ up to half (50%) of the products it sells as Fairtrade may come from those medium-sized farms and
- ✦ No large farms (30 hectares or more of cultivated land) are allowed as members except where an exception is granted by the certification body, in the case of Fairtrade FLOCERT.

Functions of Small Producer Organizations

SPOs like any other organization are set up to perform specific functions to its members.

The functions of SPOs may include;

1. Collective buying of inputs
2. Unite Small Scale Producers
3. Advocacy and lobbying
4. Access to market and finance opportunities
5. Training and Capacity building
6. Improve the living conditions of members

Importance of forming Small Producer Organizations

Some of the important aspects related to formation of SPOs are;

- ✦ Allows small scale producers to pool their resources together to conduct activities they could not do independently e.g. Fairtrade certification
- ✦ Small scale farmers enjoy reduced or no cost on advisory or technical services e.g. extension services
- ✦ Increases bargaining power of small scale producers
- ✦ Allows small scale producers to address issues of common interest together
- ✦ Allow information and experience sharing among members

Characteristics of organised, successful and sustainable Small Producer Organizations

The following are among the characteristics of organised, successful and sustainable SPOs

- ✦ Members have a common interest, clear goal, objective and action plan
- ✦ It is self-governed
- ✦ It is a voluntary association of small scale producers
- ✦ Mixed and gender balanced membership with men, women and the youth
- ✦ Collective decision-making, which encourages member commitment and a feeling of ownership

Managing Small Producer Organizations

Managing small producer organizations is as important as forming it. The success and the sustainability of the SPO depend largely on how it is managed by the leaders.

Effective management of SPOs requires;

- ✦ Development of leadership within the SPOs by putting in place strategies that will enable them develop committed and active members that will be capable to take up leadership positions.
- ✦ Clear definition of roles and responsibilities for both leaders and their members
- ✦ Defining rules and regulations to govern the group



FAIRTRADE
AFRICA

- ◆ Set up clear financial procedures and systems.
- ◆ Record keeping and reporting of all the operations of the group.
- ◆ Continuous development to ensure the success and continuity of the SPO

Building Strong Producer Organization

An essential component of building effective and strengthened SPOs is through constant training and capacity building of leaders and the members to equip them with knowledge and skills that will enable them to deliver on their mandate as well as improve service delivery to member.

As part of the capacity building plan, leaders can also be assigned to learn from successful or well established SPOs to improve upon their operations. Other initiatives such as mentoring and providing technical support for new producer organizations, structuring and providing services for both old and producer organizations at early stage of development could also help build strong and effective producer organizations capable of delivering on their mandate.

It is very important most especially to build the capacity of the leaders in the following areas to be able to deliver on their mandate;

1. Training - How to organize formal and informal learning activities
2. Leading - Help the leaders to lead and to learn from their actions by reflection as a team
3. Mentoring and supporting - Help the members initially by mentoring or supporting them in their planning and implementation stages
4. Providing - Obtain the services of other stakeholders and service providers in providing various services to nurture the SPOs in the early stages of development
5. Structuring - Help SPOs to structure their meetings and various participative planning activities and to learn from their experience through reflection
6. Actualizing- Help SPOs to reflect on the process of managing their organization Learning by doing can help them in self-actualization

Group dynamics

Group dynamics refers to the interactions between people who are talking together in a group setting.

This interaction is very crucial to the development

and success of the group. In the case of SPOs, group dynamics refers to how small scale producers relate with each other in their respective groups.

A small producer group consists of two or more small scale producers who have;

- ◆ A common objective e.g. production or marketing related objective
- ◆ Awareness of the group identity
- ◆ A minimum set of agreed rules and regulations

The importance of a group includes;

- ◆ Facilitate knowledge and experience sharing
- ◆ Producers can market their products and buy together at better market values
- ◆ Facilitate easy access to finance
- ◆ Simplifies communication among members
- ◆ Powerful in changing attitudes and values

Kinds of people found in a group;

Groups are made up of different kinds of people. Each of them has their own unique behaviours and attitudes. These behaviours and attitudes have consequences on the group as a whole. The following are some kinds of people that can be found in a group;

- ◆ Know it all – people who are always convinced their views are right and often persuade others to follow them, sometimes create division within the group.
- ◆ Complainers – people who rarely find anything good in other people's views and decision and quick to complain
- ◆ Quiet members – people who rarely share their opinions and do not want to take any responsibility or make decisions
- ◆ Positive members – people who carefully consider the ideas before reaching their own view or opinions.
- ◆ Traditionalist – people who dislike change or taking risk with anything new.
- ◆ Bridge builders – people who want others to feel at peace with each other and happy with decision made.



Importance of collective action

Common collective activities include production, processing, marketing, input procurement, and community development, in addition to activities that have long been practiced by SPOs such as internal credit schemes, mutual labour support and welfare services.

Individual small scale producers come together to form SPOs due to its overarching benefit. Among such benefits are;

- ✦ Allow members to better cope with risks
- ✦ Reduced transaction costs and improved access to various markets enjoying commercial benefits for collective marketing
- ✦ Reduce transaction costs or reach a market within which they can sell at a premium
- ✦ Increased access to support such as grant and financial support from government and development partners
- ✦ Access to training and business development services at no or reduced cost



Fairtrade Standards and Compliance Criteria

Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
0	1st grade	Fairtrade standard 1.2.1 Fairtrade defines a small-scale Producer Organization as an organization where at least two thirds (2/3 or 66%) of its members are small-scale producers	None	1.2.0.01	At least 50% of members Are small-scale producers.	At least 50% of members are small-scale producers, AND the information easily available in the member lists AND the small-scale farmer requirements are clearly mentioned in the member inclusion process
0	2nd grade, 3rd grade			1.2.0.05	At least 50% of Members are small-scale producers.	At least 50% of Members are small-scale producers AND the information easily available in the member lists AND the small-scale farmer requirements are clearly mentioned in the member inclusion process.
	1st grade, 2nd grade, 3rd grade	FLOCERT requirement		1.2.0.03	Yes	
	1st grade, 2nd grade, 3rd grade	FLOCERT requirement		1.2.0.04	Yes	
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 1.2.4 At least half (50%) of the volume of a Fairtrade product that you sell as Fairtrade per year is produced by small-scale producers as defined by Fairtrade	This also applies to 2nd and 3rd grade organizations. This does not mean that you can sell products from non-members as Fairtrade. All your Fairtrade products come from members and must meet requirement 2.1.1	1.2.0.06	Data is inaccurate Or incomplete BUT the risk is negligible and the auditor can estimate compliance.	Production and sales data is complete and the organization fulfils this rule AND he organization is aware of this rule and checks continuous compliance during sales OR all members are small-scale producers.



Guidelines for the Trainer

Materials needed: Flip-sheets and markers

- ☒ LCD projector, Laptop, Projector screen
- ☒ Copies of the Game on the web
- ☒ Copies of assessments
- ☒ Tennis ball, thread and scissors

Time needed: 3 Hours

Preparations: Carefully read the key information, Fairtrade Standards and Compliance guidelines in this manual, the trainees manual

- ☒ Print enough copies of supporting training materials
- ☒ Review the trainees manual and participants' materials
- ☒ Ensure that all materials required for the session are available

Note for the trainer:

Control the time especially during open discussions and try to work within time. The use of local languages is also recommended where necessary to facilitate learning, skills and knowledge acquisition. Make the training lively by engaging participants through open discussions, experience sharing, group exercises and presentations etc.

Session in Short

- **Set up:** 10 Minutes
- **Delivery:** 2 Hours 30 Minutes
 - ✦ What are Small Producer Organizations
 - ✦ Functions of Small Producer Organizations
 - ✦ Importance of forming Small Producer Organizations
 - ✦ Characteristics of organised, successful and sustainable Small Producer Organizations
 - ✦ Managing Small Producer Organizations
 - ✦ Developing Small Producer Organizations through capacity building
 - ✦ Group dynamics
 - ✦ Importance of collective action
- **Finish:** 20 Minutes



Set up – 10 Minutes

Attention: Welcome participants to the training sessions. Ask them to mention their names and the Producer Organizations they are representing. Ask them what their expectations are or what they seek to learn during the training session.

Title: Tell the title of the session: **Organizational Development**

Objectives: Explain to participants that, at the end of the training session, they will be able to

- Have a better understanding of SPOs and its functions,
- State the Importance of forming SPOs,
- Organise and manage SPOs effectively.

Benefits: Having a deeper understanding and functions of Small Producer Organizations will enable leaders deliver effectively whilst working within their defined mandate.

Direction: Discussions will be limited to understanding Small Producer Organizations, group dynamics and the importance of collective action and how they can comply with Fairtrade standards and compliance requirements.

Delivery- 2 Hours 30 Minutes

Explanation, Visualisation, Demonstration, Exercise, Guidance and Application:

1. Write boldly on a flip chart – **Small Producer Organizations**. Ask participants the following questions
 - a. What comes to mind when they hear or see the term Small Producer Organizations?
 - b. Ask them to explain the term in their own words based on their understanding
 - c. Ask them to explain what a Small Producer Organization is according to Fairtrade standards



2. Let several people answer before you present the content on the PowerPoint slides.
3. Tell them that despite several definitions by the Fairtrade standards, WFTO and the ILO Recommendation R193, the focus will be on the definition in the Fairtrade standards to enable them to be in compliance with Fairtrade standards and compliance criteria.
4. Ask participants to know if the SPOs are in compliance with the definition of SPO criteria
5. Continue to tell participants that Fairtrade International follows ILO Recommendation R193 “on the promotion of cooperatives” and explain to them
6. Ask participants to know if they have any questions, comment or contributions before you continue.
7. Say that after finding out what Small Producer Organizations are; you are now going to look at what their functions are
8. Tell participants that Small Producer Organizations are set up to perform a lot of functions. Break participants into groups to discuss the functions of SPOs
 - a. Ask participants to break into four (4) main groups by counting 1 to 4 (This activity can be varied depending on the number of participants)
 - b. Participants are grouped according to their numbers e.g. All 1's are put together in a group
 - c. Provide each group with a flip chart sheet and a marker for their group work presentation
 - d. Ask participants to form a Small Producer Organization with a name of their choice
 - e. Ask participants to make a list of four main functions of their SPOs and explain the choice of those functions
 - f. Let the groups discuss. Move around to guide the groups.
 - g. Allow participants to make a presentation after discussions in their respective groups
 - h. Discuss and clarify at the plenary
9. After the group presentations and discussions, tell participants the functions of Small Producer Organizations. Explain to participants that these may differ from one SPO to another due to differences in vision, needs/interest of members. This is very important
10. Ask participants to know if their organizations perform other functions other than what have been presented to them. If there is a yes answer, allow participant(s) to share what those other functions are.
11. Continue the session with the characteristics of organised, successful and sustainable Small Producer Organizations. Here ask participants to mention;
 - a. Some of the characteristics of a Small Producer Organization
12. Tell participants to make reference to the Fairtrade standards and compliance criteria. After several attempts by the participants, present the content on the PowerPoint slides to them. In presenting the content focus on the following;
 - a. The structure
 - b. Membership
 - c. Governance structure
13. Continue the session with how to manage Small Producer Organizations. Ask participants to share their experiences on how they are managing their Producer Organizations. Encourage them to even share what they think are not working well for the learning purposes. In presenting the content on the slides to participants, make them to understand that Managing Small Producer Organizations is as important as forming it. The success and the sustainability of the SPO depend largely on how it is managed by the leaders.
14. Show a picture of Producer Organization at training and explain to participants the importance of building a Small Producer Organization through capacity building. Tell participants that an essential component of building effective and strengthened SPOs is through constant training and capacity building of leaders and the members to equip them with knowledge and skills that will enable them to deliver on their mandate as well as improve service delivery to members. Discuss the need to have a budget for capacity building.
15. Introduce the concept of group dynamics by showing participants a smart art of kinds of people that can be found in a group. Ask to know if they can identify such people in their respective Producer Organizations and how they are able to work together with them.
16. End the session with the importance of collective action by introducing the game on the web (Annex 5.1.1). Follow the following steps to get the activity done.
 - a. Ask the participants to stand in a circle. Tell them that they are going to weave a web just like a spider web.
 - b. Take the tennis ball and have one of the participants hold one end of the thread while he/she throws the ball to any other participant. Before the ball is thrown to the selected person, the participant should say one thing that he / she like in that person.
 - c. The person to whom the ball is thrown should similarly hold the thread and select another

person in the group to throw the ball at. The process should be repeated until all the participants are included in the web.

- d. Ask the participants to hold the thread gently (Holding the thread gently will make everyone feel the pull).
 - e. Have one of the participants pull the thread. Ask if all the other participants felt the pull (All should have felt the pull). Repeat a couple of times with different participants leading to the same result.
 - f. Ask the participants what lessons can be learned from this game.
 - g. Generate discussion relating the lessons from the game to the actual experiences in Producer Organizations
17. Discuss the following questions with participants
- a. How will the Producer Organizations be affected by the actions/inaction of one or a few members? Insist on giving concrete examples in the responses of the participants.
 - b. How will the actions of the leaders affect the group both in negative and positive ways?
18. Tell participants that in a group like SPOs every member is important. Together they can create a beautiful web. But if one of the members lets go of the thread, the web will be affected. Similarly, if one pulls the thread the others will feel the pull. What one member does

will affect all others negatively or positively. The web will collapse and the shape will be affected if one of the members does not participate. Again explain to participants that when members do not collaborate and participate, the web (the group) will not function properly. Demonstrate by cutting few places in the web.

Finish – 20 Minutes

Summary: Summarise the session by sharing some key lessons from the training. You can equally ask each of the participants to share what they have learnt from the training.

Questions: Ask if anyone has a question or comment.

Evaluation: Share copies of the assessment on the module with participants allowing them to take the assessment.

Next step: We have seen how to effectively organise and develop Small Producer Organizations as you go back to your groups apply lessons learnt to build strong and resilient Small Producer Organizations delivering on its mandates.



3.0 Module 2: Leadership

Module framework

Session	Learning objectives	Time
- What is leadership? - Leadership styles - Qualities of a leader - Leadership skills - Women and youth in leadership - Leadership pitfalls	- Describe who a leader is - List the qualities of a leader - Understand the place of women and the youth in leadership - Identify leadership pitfalls	2 Hours30 Minutes

Key information to trainer

Leadership is a process by which a person exerts influence over other people and inspires, motivates, and directs their activities to help achieve group or organizational goals. The person who exerts such influence is a leader.

Leadership styles are categorization of how a person behaves while in leadership position.

There are many different types of leadership styles. Some are better in certain situations; others are more suited to other circumstances. The main leadership styles are autocratic, democratic and laissez-faire.

Fairtrade standards and principles support democratic style of leadership which considers active participation and contribution in all decision making process on issues that affect the SPOs. The democratic leadership style should be adopted by **ALL** Fairtrade SPOs.

Leaders are expected to possess certain qualities to be able to succeed in their leadership roles. Some qualities expected to be exhibited by a good leader are vision, passion, decision making skills, enthusiastic, communication skills and team player. Aside these qualities, leaders must also have some leadership skills such as, secure co-operation, use authority, direct communication, maintain discipline, develop group morale, planning and problem solving.

Leadership

Leadership plays a significant role in managing and organising the activities of SPOs. The success of every organization depends largely on the ability of its leaders to drive the activities of the organization. Good and inspiring leaders are very important because

the leaders develop work plans, develop capacity building programmes, negotiate, embark on advocacy campaigns through participatory approach (active engagement/participation of members) as well as represent the SPOs at all levels with internal and external stakeholders. SPOs need to find the right balance of leadership - the one that makes way for the inclusion of vulnerable persons (women, People with Disabilities(PWDs) and the youth) a practice that is promoted among Fairtrade Producer Organizations.

Leadership is a process by which a person **exerts** influence over other people and **inspires, motivates,** and **directs** their activities to help achieve group or organizational goals. The person who **exerts such influence** is a leader.



It is interesting to note that anyone in the SPO with the right qualities and skills as represented in the above diagram can become a leader. The abilities to read and write are necessary skills that leaders should possess.

Leadership styles

Leadership styles are categorization of how a person behaves while in leadership position.

There are many different types of leadership styles. Some are better in certain situations; others are more suited to other circumstances. The main leadership styles are captured in the table below

Autocratic	Democratic	Laissez-fair
Decisions are made by one person	Decisions are made with active participation of members of the group	Leaders play minor role in decision making process
Leaders make decisions on use of premiums ALONE	Leaders INVOLVE members to decide on what and how to use premiums	Leaders LEAVE members to decide on what and how to use premiums while giving direction
Quick decision making	Decision making process is enriched	Members are left to take decisions within their limit
Causes frustration and loss of interest among members	Decision making takes time, may cause argument and conflicts among members	The group suffers when leaders fail to provide direction as made by one person

Fairtrade standards and principles support democratic style of leadership which considers active participation and contribution in all decision making process on issues that affect the SPOs. The democratic leadership style should be adopted by ALL Fairtrade SPOs

Qualities of a leader

Leaders are expected to possess certain qualities to be able to succeed in their leadership roles. Below are some qualities expected to be exhibited by a good leader:

- ✦ **Vision**-leaders should have a plan about the desired future of the group
- ✦ **Passion**-leaders must have genuine interest to serve members in the group
- ✦ **Decision making skills**- leaders should have the capacity to make quality decisions in the interest of the group.
- ✦ **Enthusiastic**-leaders must inspire and motivate members in the group

- ✦ **Communication skills**- leaders should be able to communicate effectively. This involves listening to others and getting their views across in the decision making process.
- ✦ **Team player**—good leaders work well with other people and lead by example

Leadership skills

The following are some leadership skills that leaders should possess;

- ✦ Secure co-operation
- ✦ Use authority
- ✦ Direct communication
- ✦ Maintain discipline
- ✦ Develop group morale
- ✦ Planning
- ✦ Problem solving

Vulnerable persons in leadership

Most of Small Producer Organizations are characterized by gender inequalities and lack of representation of the youth to take up leadership positions. Based on Fairtrade standards and principles, it is important to build structures that ensure active participation of vulnerable persons (women, people with disabilities and the youth) based on democratic procedures.

The inclusion of the youth especially in leadership helps to sustain producer organizations. SPOs must adopt inclusion policies that promotes women, people with disabilities and the youth to take up leadership roles in their respective SPOs. SPOs on their part should build the capacity of women and the youth to improve their knowledge in leadership, management as well as self-confidence that will enable them to participate in decision making, lead and drive their respective producer organizations into becoming sustainable and inclusive organizations capable of addressing the needs of their members. SPOs in drafting their constitution should make provisions for the inclusion of women and the youth in leadership positions. This will help ensure a strong and vibrant SPOs capable of delivering on its mandate.

Leadership pitfalls

The success of a group depends in large part on its leaders. A good leader guides the group through good times and bad.

A bad leader pulls the group in the wrong direction, looks after his or her own interests, or does nothing.

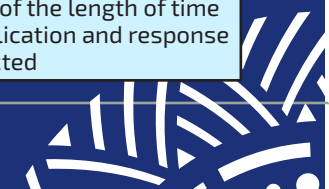
Below are some leadership pitfalls that leaders should avoid;

1. Not listening to the members of the group
2. Failing to keep members informed
3. Failing to delegate responsibility
4. Misunderstanding roles
5. Considering their own interest instead of that of the group

Fairtrade Standards and Compliance Criteria

Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
3	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.3.4 You develop and implement a gender policy. You ensure members are aware of this policy and its contents. You ensure that women are involved in the development and implementation of the policy.	Gender equality is the concept that all human beings, men and women and boys and girls, are free to develop their personal abilities and make choices without the limitations set by stereotypes, rigid gender roles, or prejudices. Women's empowerment is an expansion in women's ability to make strategic life choices in a context where this ability was denied to them. The general aim of the policy is to promote women's empowerment and gender equality. In particular, it intends to increase women's active and equal participation in Fairtrade and to empower more women and girls with opportunities to access equitable benefits of Fairtrade. As a best practice the policy includes a statement from the organization committing to women's empowerment and gender equality, the purpose of the policy, scope, actions to make it known, awareness raising and training activities, implementation and monitoring. Examples of topics that can be included in the policy are: promotion of participation of women in SPOs, Boards, leadership positions and other structures within the organization; measures against sexual harassment; a grievance mechanism for addressing complaints; a whistleblowing policy; collection and use of gender disaggregated data (members, training and awareness training sessions, management and supervisory positions, board members). It is best practices to invest in projects and programs focusing exclusively on women's needs but also reducing the burden of care and work on women as this enables women to have time to participate in the association meetings. The policy can also be linked to a broader policy against any form of discrimination based on ethnicity, age etc. or covering other relevant groups (e.g. youth, workers, families)	4.3.0.09	There is a gender policy in place and it is implemented.	There is a gender policy in place and it is implemented. And the policy is reviewed regularly AND the organization invests in projects and programs focusing exclusively on women's needs.
				4.3.0.10	At least 50% of members are aware of the gender policy	At least 50% of members are aware of the gender policy AND the organization carried out awareness activities AND most of the members are committed to women's empowerment and gender equality
				4.3.0.11	Yes	Yes AND women participate in the review of the policy.

Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.3.1 You do not discriminate against members or restrict new membership on the basis of race, colour, gender, sexual orientation, disability, marital status, age, HIV/AIDS status, religion, political opinion, language, property, nationality, ethnicity or social origin. You do not discriminate regarding participation, voting rights, the right to be elected, access to markets, or access to training, technical support or any other benefit of membership.	Where particular forms of discrimination exist within an economic sector or geographical region, you are encouraged to show progress towards removing them and addressing this in your Fairtrade Development Plan	4.3.0.01	There is no discrimination in practice even if there could be non-applied discriminatory rules	The organization has clear and non-discriminatory rules and records that show reasons for non-acceptance or suspension of members AND no indications of discriminatory practices.
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.3.2 You ensure the rules that determine who can become a member are not discriminatory.		4.3.0.02	Membership rules exist and they are not discriminatory.	
	2nd grade, 3rd grade			4.3.0.03	Clear internal rules in statutes or other documents about who and how to become a member BUT they have only been applied to the majority of applicants and not to all	Clear internal rules in statutes or other documents about who and how to become a member AND they have been applied to all applicants AND all member organizations are aware about the rules
	2nd grade, 3rd grade			4.3.0.04	Clear and applied Specifications regarding The application procedure though they lack a few details.	Clear and complete specifications about who and how to become a member with additional application procedures AND clear specification of the length of time between application and response that is respected



Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
3	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.3.3 You identify disadvantaged/minority groups within your organization according to, for example, gender, age, income, or land area	Disadvantaged and minority groups refer to a category of people who experience relative disadvantage as compared to members of a dominant social group. This is typically based on differences in observable characteristics or practices, such as: ethnicity, race, religion, disability, sexual orientation.	4.3.0.05	During interviews organizations' board is able to identify minority/disadvantaged groups.	The organization has Developed criteria for this in writing and has identified all possible groups

Guidelines for the Trainer

Materials needed:

- ☒ Flip-sheets and markers
- ☒ LCD projector, Laptop, Projector screen
- ☒ Copies of the Game on the web
- ☒ Copies of Role play on leadership styles
- ☒ Copies of The bad and the good lead
- ☒ Copies of participants' templates
- ☒ Copies of assessments

Time needed: 2 Hours 30 Minutes

Preparations: Carefully read the key information, Fairtrade Standards and Compliance guidelines in this manual

- ☒ Print enough copies of supporting training materials
- ☒ Review the trainees manual and participants' materials
- ☒ Ensure that all materials required for the session are available

Note for the trainer:

Control the time especially during open discussions and try to work within time. The use of local languages is also recommended where necessary to facilitate learning, skills and knowledge acquisition. Make the training lively by engaging participants through open discussions, experience sharing, group exercises and presentations etc.

Session in Short

- **Set up:** 10 Minutes
- **Delivery:** 2 Hours
 - ✦ Group dynamics
 - ✦ What is leadership
 - ✦ Leadership styles
 - ✦ Qualities of a leader
 - ✦ Leadership skills
 - ✦ Women and youth in leadership
 - ✦ Leadership pitfalls
- **Finish:** 20 Minutes



Set up – 10 Minutes

Attention: Welcome participants to the training sessions. Ask them to mention their names and the Producer Organizations they are representing. Ask them what their expectations are or what they seek to learn during the training session.

Title: Tell the title of the session: **Leadership**

Objectives: Explain to participants that, at the end of the training session, they will be able to

- Describe who a leader is

- List the qualities of a leader
- Understand the place of women and the youth in leadership
- Identify leadership pitfalls

Benefits: Develop leaders capable of managing the affairs of the Producer Organizations.

Direction: Discussions will be limited to leadership at the Small Producer Organizations level.

Delivery- 2 Hours

Explanation, Role play, Demonstration, Exercise, Guidance and Application:

1. Ask participants to share what they understand by leadership. Write the responses on a flip chart and review after attempts by several participants.
2. Ask participants to identify the key words in the definition of leadership. Expected key words should include: **is a process, exerts influence, inspires, motivates, directs, achieve group or organizational goals**. Tell them that anyone in the group can become a leader provided they have what it takes to be become a leader.
3. Invite participants to discuss how leaders are chosen in their Producer Organizations. Allow few of them to share their experiences using their respective organizations. Guide participants to stay within the discussion.
4. Continue with a role play on leadership styles (Annex 5.2.1). Follow the steps below to carry out the activity. Share the instructions on the role play with participants and read through it together with them.

Scene One: Autocratic leadership

- a. Select 5 volunteers from the participants for each of the 3 role-plays. Each is asked to act out a meeting of some group.
- b. Ask each of the groups to make a decision on some matter of general interest to their group. E.g. decision on how to use Fairtrade premium
- c. The first leader to act the part of a very autocratic chairperson: to call for ideas, but not listen to members in his/her group, to squash their suggestions, to impose her/his own point of view on the group.
- d. Give each member of the group specific roles;
 - Actor 1 - support whatever the chairperson suggests

- Actor 2 - Suggest different views
- Actor 3 - Support actor 2
- Actor 4 - Always opposes the chairperson

Scene Two: Laissez-faire leadership

This follows the same instructions as the first scene. What changes here is the type of leadership exhibited. This time the leader (chairperson) is asked to be very passive. Other members of the team do what they like.

This leader shows little interest, makes no suggestions, does not respond to suggestions of the group, does not help to reach decisions.

Scene Three: Democratic leadership

Here the chairperson is asked to play the role of a democratic leader.

Other members of the team are asked to share their opinions on issues affecting the group.

5. After the scenes lead participants to discuss the various scenes by asking the following questions.
 - a. Ask participants to identify the type of leadership style exhibited by the 3 (three) scenes
 - b. Ask participants to identify the leadership style exhibited by leaders in their respective SPOs based on the various scenarios
 - c. Participants to identify the best type of leadership style and why
6. Tell participants that Fairtrade standards and principles recommend the **democratic style of leadership** and should be adopted by **ALL** Producer Organizations.
7. Ask participants to know if they have any questions
8. Say that we are now going to perform another activity that will help understand the qualities of a leader (Annex 5.2.2). Share the templates that will enable participants carry out the activity. This activity can be an individual or a group assignment depending on the number of participants. Follow the following simple steps to get the activity done;
 - a. Divide participants into small groups according to number of participants ensuring that there is an even number
 - b. Ask a number of the groups to reflect and make a list of the qualities of a good leader whiles the other groups work on the qualities of a bad leader
 - c. Allow participants to work for 20 Minutes after which each group makes a presentation of the

outcome of their work.

- d. Allow each group 5 Minutes for presentation
 - e. Allow 15 Minutes of discussions on the presentations
 - f. Clarify if some of the qualities are confusing
 - g. Ask participants to point out qualities that are exhibited in their respective groups
 - h. Discuss how these leadership qualities have affected the work of their respective SPOs
9. Share content on the slides with participants. Ask if there is any follow up questions
 10. Lead participants to discuss and present the leadership skills required of a leader
 11. Discuss the role of vulnerable persons in leadership. This activity should be done in groups by following the instructions.
Ask a participant to read out the question for discussions. Also share the required template with participants
 - a. Ask participants to break into four (4) main groups using a grouping technique of choice.
 - b. Ask participant to map out the current state of leadership in their Small Producer Organizations based on gender balance. Questions to be discussed include;
 - a. Where are the women? % of women
 - b. Where are the men? % of men
 - c. Where are the youth? % of youth
 - d. Where are people with disability? % of PWD
 - e. What should be put in place to ensure equal opportunity for all gender groups?
 12. Ask participant to;
 - a. Make reference to the Fairtrade standards and compliance criteria
 - b. know if they have a gender policy as required
 13. Allow participants to make a presentation after discussions in their respective groups. Discuss and clarify at the plenary.
 14. End the session with a presentation on leadership pitfalls. Tell them to avoid the pitfalls as much as possible as it weighs down on the progress of the group.

Finish – 20 Minutes

- Summary:** Summarise the session by sharing some key lessons from the training. You can equally ask each of the participants to share what they have learnt from the training.
- Questions:** Ask if anyone has a question or comment.
- Evaluation:** Share copies of the assessment on the module with participants allowing them to take the assessment.
- Next step:** Encourage participants to apply lessons learnt to improve on their leadership qualities as the success of every organization depends on the quality of its leaders.

4.0 Module 3: Good Governance

Module framework

Session	Learning objectives	Time
- Governance structure - How to form Small Producer Organizations - Membership categories and contributions to the organization - Democracy, Participation & Transparency - Good Governance Principles - Roles and responsibilities of elected and appointed officers - Holding meetings and Minutes preparation - Elections and transitions - The constitution and Bylaws	- Understand the governance structure of SPOs - How to form SPOs - List the principles of good governance - Know how to conduct elections - List the roles and responsibilities of elected and appointed officers - Understand the function of the General Assembly - Learn how to conduct meetings and prepare Minutes - Draft a constitution and bylaws for an SPO	3 Hours 30 Minutes

Key information to the trainer

Governance structure

It is essential that Fairtrade Small-Scale Producer Organizations have democratic structures, clear rules and a transparent administration in place, which allows members and the board to actively participate in setting policies and making decisions, and have effective control over the management of their organization. This enables Producer Organizations to facilitate the social and economic development of their members, ensure the benefits of Fairtrade reach these members and maximise the sense of member ownership over the Producer Organization.

The Fairtrade standards and compliance criteria describes all the governance bodies involved in the operations of the organizations, and its actors. The basic governance bodies recommended by Fairtrade are management, the board of directors, supervisory body, the general assembly.

How to form Small Producer Organizations

The registration process may differ from one country to another, region or even districts in which a group is located. The leaders should make enquires to do the right thing. The registration process may come with its associated cost. The following steps may be followed;

- Community entry and engagement with target group
- Membership mobilization
- Choosing a name for the SPO
- Selection of interim leaders
- Drafting of constitution and bylaws
- Registration of the group

Membership categories and contributions to the organization

A Small Producer Organization is as strong as its members. If the members are strong, its leaders are likely to be strong as well. As such, developing a strong, empowered membership base is critical for ensuring the sustainability of the organization.

The operations of a democratically controlled Producer Organization, as opposed to that of a regular business, depends on the participation of its members, who must be willing to execute their rights to effectively influence the businesses and the organization.

Based on the principle of cooperative and on the promotion of cooperative as recommended by R 193 of ILO, Cooperatives are; Voluntary organizations; Open to all persons able to use their services, and Willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

SPOs should not discriminate against members or restrict new membership on the basis of race, colour, gender, sexual orientation, disability, marital status, age, HIV/AIDS status, religion, political opinion, language, property, nationality, ethnicity or social origin' regarding participation, voting rights, the right to be elected, access to markets, or access to training, technical support or any other benefit of membership.

Members' Duties and Obligations

The following are some of the duties and responsibilities of members of an SPO are Abide by the groups constitution and bylaws, attend meetings, participate in electing leaders, support other members when in need, pay membership fees and market produce together.

Ways members can contribute to their SPOs

Small scale producers may contribute to their respective SPOs through membership fees, expertise, labour, cash and kind donations etc. The contribution may differ from one SPO to another based on the agreed functions of the SPO.

How to encourage membership participation

When members of the organization get more involved in the Producer Organization and its administration, they develop a sense of ownership, control and a better understanding of needs and opportunities. Members can be encouraged to participation through access to information, training, communication and participation.

Democracy, Participation & Transparency

To ensure that organizations facilitate the social and economic development of their members and guarantee that the benefits of Fairtrade reach these members. Producer Organizations should have democratic structures in place and a transparent administration that allows members and the board to have effective control over the management of the organization.

On the principle of democracy, participation and transparency; Fairtrade Producer Organizations are requested to:

- Hold a General Assembly at least once a year
- Inform members in good time when the General Assembly will take place
- Take Minutes of the General Assembly, to be signed by the president of the Board and the Secretary and must contain a list of participants in attendance
- Present the annual report, budgets and accounts to the General Assembly for approval
- Have administration in place with at least one person or committee who is responsible for managing the administration and bookkeeping
- Keep records and books that are accessible to all members
- Explain to members about the ways they can participate in the organization so that they can have more control over it.

Good Governance Principles

Good governance principles as required by Fairtrade are;

- One vote per member
- To validly sit, deliberate and vote, organizations must set a minimum number of members to be present or represented during meetings. This is called quorum.
- Decisions should be made by simple majority, which is more than half of all votes.
- Members must be informed in order to vote and make decisions.
- To be transparent, organizations must have systems in place to share information with members.
- Elected governance bodies are accountable for their actions to the members.

Roles and responsibilities of elected and appointed officers

Leaders of the group should be assigned specific tasks and should be made to understand what is expected of them. Clearly defining the roles and responsibilities of each of the elected and appointed officers will ensure accountability. The various positions and duties of each of the officers should also be captured in the group's constitution.

Holding meetings and Minutes preparation

Types of Meetings

- Regular meetings
- The General Assembly (Annual General Meetings)
- Informal meetings/Committee meetings
- Board meetings
- Extraordinary meetings

How to conduct meetings

Preparations before the meeting

- Leaders set Agenda for the meeting. The Agenda states the business to be transacted on that day. The Agenda should include; the time, place, what to do
- Invitation sent to the members of the group informing them of the upcoming meeting. The invitation should be published on all dedicated platforms that can be accessed by members. The notice of meeting should be sent on time and should inform members of
- the date, time, location and purpose of the meeting. Members should be informed at least 10 working days to the meeting.

During the meeting

- The chairperson facilitates the meeting.
- The chairperson welcomes members to the meeting and briefs them of the purpose of the meeting. The chairperson takes members through the Agenda for the day
- Reading of Minutes of previous meetings by the secretary and confirmation of Minutes
- Report by leaders if any (report on activities /projects undertaken by the group)
- Discussion of the Agenda items for the day
- Decision making on issues discussed
- Closure
- The secretary takes attendance and proceedings of the meeting
- The treasurer takes membership dues or any agreed

contributions due

After the meeting

- The secretary put the Minutes together and submits for review by the chairperson.
- Once the corrections are made the secretary sends the final version of the Minutes for counter signing by the chairperson.
- The chairperson or leaders follow up on the implementation of key decisions.

When and how often to meet

Members in the group should specify through democratic means when it will be convenient for them to hold meetings. The meeting time and place should be convenient for all. Leaders should encourage members to attend meetings to participate in the decision making process of the group. How each of the meetings should be conducted should be captured in the constitution. The secretary should keep track record of attendance and all proceedings at the meeting.

Decision making methods at meetings

At meetings, the group may make decisions based on any of the following methods;

- **Executive decision making.** Executive decisions are needed if a decision has to be made immediately.
- **Committee decisions.** Are good when a decision is needed fairly quickly and it is impractical to gather all the members' opinions.
- **Democratic decision making.** Best applied where approval of majority is needed. Where each member's opinion is needed.

Elections and transitions

Elections are very important in the governance of organizations which are democratically controlled by the members. Choosing leaders when not controlled or conducted according to a well defined procedure brings a lot of problems in Producer Organizations. To avoid the challenges that come with the selection of leaders, it is important to capture in the constitution of the Producer Organization right from the beginning how leaders should be chosen. Electing leaders in a free, fair and transparent manner helps to promote democracy among members of the group.

Most constitutions or by-laws dictate that any decisions

within the group are to be made on the basis of member voting where each member is entitled to one vote. This type of voting process is applied not only in electing leaders but also in making group decisions. The constitution should also capture how long the elected officers hold their positions and how power is transitioned from one executive body to another in a democratic manner.

Factors to consider in nominating people for leadership positions

- Must be an active and committed member over a number of years
- Ability to read and write
- Expertise
- Leadership qualities and skills
- Someone who commands respect and is able to influence
- Willingness of the person
- Must be a paid up member (in good standing)

Voting methods

Members may vote by allowing every member to vote or through the delegate system

Election procedures

- Nomination of aspirants
- Secondment of the aspirants
- Voting on nominated people by democratic means
- Counting and declaration of results
- Swearing in of elected members
- Training of elected officers

Transition

After the election, the next important action is to ensure smooth handing over to the newly elected officers. Old executives hand over all items in their possession to the newly elected leaders to permit them carry out their duties. Accounts are reconciled and handed over to the new treasurer. Another important activity during the transition process is the changing of signatories and notifying stakeholders of the changes in leadership.

The constitution and Bylaws

A constitution is:

- A written document, which establishes the rules and principles by which an organization is governed.
- A legal document that describes the internal rules of an organization.

The constitution has to be in accordance with the corresponding regulatory framework: a cooperative for instance needs to abide with the cooperative law of the country in which it operates and, similarly, other forms of organization have their proper regulatory frameworks that enforce the principles of solidarity, democracy and transparency.

The constitution should clearly define at least the following:

- The purpose and main activities of your organization
- Conditions for membership, their rights and duties and who decides on their admission or exclusion
- The organizational structure with a general assembly of members as the highest decision-making authority
- The way members are represented by delegates, if applicable
- Powers and responsibilities of governing bodies, including board of directors and supervisory body
- Procedures for elections of governance bodies, their composition and terms of duty
- Frequency of meetings and how these must be organised
- Disciplinary procedures and sanctions
- The way the organization's capital is built up and used, including membership fees and reserves
- Procedures for reform of the constitution
- Steps for dissolution and what happens with the patrimony

Functions of the Constitution

Bylaws

Bylaws are internal rules that the group may set for itself. The constitution gives the big picture; the bylaws fill in the details. Internal rules and regulations, as long as they genuinely reflect the way the organization is functioning, are an important tool to reinforce good governance and serve as overall guidance for its operations. For example, they describe internal processes for calling an assembly, holding elections and decision making. They give clarity on the distribution of roles and responsibilities and the demarcation of powers within the organization. They define who can be a member and what members' rights and duties are. Therefore, it is fundamental that all members know the contents of their constitution and bylaws and that the organizational practice is consistent with these.

Fairtrade Standards and Compliance Criteria

Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.1 You ensure that the structure of your organization has: - a General Assembly as the highest decision making body where all major decisions are discussed and taken; - equal voting rights for all members in the General Assembly; - a Board chosen in free, fair and transparent elections; - separate roles and responsibilities between the Board and management.	Staff hired by your organization is controlled by the Board which is in turn controlled by the General Assembly.	4.2.0.01	The statutes define the General Assembly as the highest decision-making body AND members have equal voting rights.	The statutes define the General Assembly as the highest decision-making body AND members have equal voting rights AND the General Assembly is given plenty of time to discuss all matters AND the General Assembly is very active and participatory.
			In the General Assembly members can either vote directly or through a system of elected delegates if you choose so. The system is based on the principle that each member or member organization has the equal or proportional number of delegates.	4.2.0.02	Elections were democratic but poorly recorded OR postponed for understandable reasons.	The democratic election Procedure is fully regulated in the statutes or other Documents and followed up.
			2nd or 3rd grade organizations are democratically controlled by their direct members, which are legally constituted and legally affiliated 1st grade or 2nd grade organizations. There is a democratically elected board on the 2nd or 3rd grade level.	4.2.0.03	The delegate system is in place with an equal/ proportional number of delegates BUT does not fully follow the statutes or internal regulations.	Statutes or internal Regulations are followed Correctly and there is an equal/proportional number of delegates AND all members are fully aware about the statutes and internal regulations.
	2nd grade, 3rd grade		The role of the Board is to govern and provide strategic direction while the role of management is to ensure that the decisions of the Board are implemented. Lack of clarity between the roles and responsibilities of the Board and management can lead to extreme situations of either power concentration or insufficient room for decision making.	4.2.0.05	Elections were democratic but poorly recorded OR postponed for understandable reasons.	The democratic election Procedure is fully regulated in the statutes or other Documents and followed up.
			If due to the size of the organization it is not feasible for the organization to separate the roles of the Board from those of management you demonstrate this to the certification body.			
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.2 It needs to be clear who is a member of your organization. Therefore, you have written rules to determine who can become a member and you keep a record of your members on an annual basis. At a minimum, member records should include: member name, contact information, gender, date of birth, registration date with the SPO, farm location and farm size	Keeping records helps to improve your management practices (see requirements 3.1.1 and 3.1.2), to have a better overview of your organization and to gain understanding of members.	4.2.0.07	Clear criteria in statutes or Other documents about who and how to become a member but no additional procedures.	Clear criteria in statutes or Other documents about who and how to become a member with additional application procedures. AND clear specification of the length of time between application and response that is respected.
			If any of your members are also members of any other Fairtrade certified organization, it is recommended that this practice is endorsed in the status of your organization. You are encouraged to list all the members that are also members of any other Fairtrade certified organization and to ensure the traceability of the products coming from those members (see requirement 2.1.1).	4.2.0.08	Member list with required Information and no errors.	Complete member list with all required information AND system in place to ensure regular updates.

Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.3 You follow your own rules and regulations such as a constitution, by-laws and internal policies, including those for election, decision making, membership processes and board term limit and a delegate system (if applicable).	In case this requirement conflicts with national legislation, then the national legislation applies. A board term limit of 9 years is recommended as a best practice but is not mandatory	4.2.0.09	Organization follows statutes in at least: acceptance of members, mandate of General Assembly, Board, board term limit, Surveillance (Control) committee (if exists) and a delegate system (if applicable).	Organization follows statutes in all details.
0	1st grade	Fairtrade standard 4.2.4 You hold a General Assembly at least once a year.	2nd and 3rd grade organizations hold a General Assembly at least once a year too. You can establish an assembly of delegates. Member organizations of 2nd and 3rd grade organizations hold local General Assemblies at least once a year	4.2.0.10	The annual General Assembly took place (even if not recorded/ poorly called or recorded) OR postponed for understandable reasons.	The annual General Assemblies took place fully in line with statutes AND the General Assembly is given plenty of time to discuss all matters.
	2nd grade, 3rd grade			4.2.0.11	The annual General Assembly (of delegates, if applicable) took place (even if not recorded/ poorly called or recorded) OR postponed for understandable reasons.	The annual General Assembly (of delegates, if applicable) took place fully in line with statutes AND the General Assembly is given plenty of time to discuss all matters.
				4.2.0.12	The annual General Assemblies took place (even if not recorded/ poorly called or recorded) OR postponed for Understandable reasons AND there are clear plans to hold it as soon as possible.	The annual General Assemblies took place fully in line with statutes AND the General Assembly is given plenty of time to discuss all Matters AND this holds for all Member organizations.
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.5 You inform your members in good time when the General Assembly will take place	None	4.2.0.13	General Assembly was properly called in line with Statutes even if lacked certain minor formalities OR if call for General Assembly is not regulated members were informed at least 2 weeks in advance.	General Assembly was Properly called fully in line with statutes OR if call for General Assembly is not Regulated but attendance was very high (>90%) AND the organization took Additional measures to increase attendance of members to the General Assembly OR attendance is very high (>90%).



Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
1	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.11 You have a surveillance committee to oversee the overall administration of the organization (including the use of Premium) on behalf of the members.	A surveillance committee enhances transparent administration and the effectiveness of members' control. This body acts on behalf of the members and exercises an effective and continuous control over the Board of directors and the management. For the surveillance committee to fulfil its function, its members need to have a good understanding of their roles and responsibilities. All relevant information, such as meeting records, reports, accounts and contracts needs to be provided to them in a timely manner for examination. If your organization already has a committee that fulfils this function you do not need to create one. It is recommended to have one worker representative on the surveillance committee. This is however not mandatory.	4.2.0.33	There is an active committee in place and they are aware of their duties.	There is an active committee in place and they are aware of their duties. and they perform their role as described in their job description and there is one worker representative on the surveillance committee
3	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.14 You explain to your members about the ways they can participate in the organization so that they can have more control over it.	Members should be aware of how to ask for information, present a request to the general assembly, make themselves heard within the organization, etc. This will increase members' understanding and awareness of the ways to participate enabling them to have more control.	4.2.0.22	The organization provided explanations to some members and has a plan to cover all members.	The organization provided explanations to all members AND has a trained Surveillance Committee in place.
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.2.6 Minutes of the General Assembly are taken and signed by the president/ chair of the Board and at least one other member and contain a list of participants of the General Assembly	None	4.2.0.14	Most Minutes can be found, even in loose sheets AND the decisions are recorded, even if not fully clear and signed.	All Minutes are found in book(s) and signed, decisions are recorded with total clarity and annexes are included in the book AND Minutes are registered before local authorities and/or notary public OR other situation considered best practise.
				4.2.0.15	There are signatures of all attendants in loose sheets.	There are signatures of all attendants in same or separate book (or attachment) AND counting of quorum is reflected in minutes.

Year of audit	Core requirement	Fairtrade standard	Standard Guidance	FLOCERT Compliance Criteria Number	FLOCERT Rank 3 (minimum needed)	FLOCERT Rank 5 (best practice)
0	1st grade, 2nd grade, 3rd grade	Fairtrade standard 4.3.1 You do not discriminate against members or restrict new membership on the basis of race, colour, gender, sexual orientation, disability, marital status, age, HIV/AIDS status, religion, political opinion, language, property, nationality, ethnicity or social origin. You do not discriminate regarding participation, voting rights, the right to be elected, access to markets, or access to training, technical support or any other benefit of membership.	Where particular forms of discrimination exist within an economic sector or geographical region, you are encouraged to show progress towards removing them and addressing this in your Fairtrade Development Plan.	4.3.0.01	There is no discrimination in practice even if there could be non-applied discriminatory rules	The organization has clear and non-discriminatory rules and records that show reasons for non-acceptance or suspension of members AND no indications of discriminatory practices.



Guidelines for the Trainer

Materials needed: Flip-sheets and markers

- ☒ LCD projector, Laptop, Projector screen
- ☒ Copies of case study-the youth cooperative
- ☒ Copies of learning activities
- ☒ Copies of participants' templates
- ☒ Copies of assessments

Time needed: 3 Hours 30 Minutes

Preparations: Carefully read the key information, Fairtrade Standards and Compliance guidelines in this manual

- ☒ Print enough copies of supporting training materials
- ☒ Review the trainees manual and participants' materials
- ☒ Ensure that all materials required for the session are available

Note for the trainer:

Control the time especially during open discussions and try to work within time. The use of local languages is also recommended where necessary to facilitate learning, skills and knowledge acquisition. Make the training lively by engaging participants through open discussions, experience sharing, group exercises and presentations etc.

Session in Short

- **Set up:** 10 Minutes
- **Delivery:** 3 Hours
 - ✦ Governance structure
 - ✦ How to form Small Producer Organizations
 - ✦ Membership categories and contributions to the organization
 - ✦ Democracy, Participation & Transparency
 - ✦ Good Governance Principles
 - ✦ Roles and responsibilities of elected and appointed officers
 - ✦ Holding meetings and Minutes preparation
 - ✦ Elections and transitions
 - ✦ The constitution and Bylaws
- **Finish:** 20 Minutes



Set up – 10 Minutes

Attention: Welcome participants to the training sessions. Ask them to mention their names and the Producer Organizations they are representing. Ask them what their expectations are or what they seek to learn during the training session. Only perform this activity if it's a new training session or first session of meeting participants. In a continuous training session ignore this activity.

Title: Tell the title of the session: **Good Governance**

Objectives: Explain to participants that, at the end of the training session, they will be able to

- ✦ Understand the governance structure of Small Producer Organizations
- ✦ How to form Small Producer Organizations
- ✦ List the principles of good governance
- ✦ Know how to conduct elections
- ✦ List the roles and responsibilities of elected and appointed officers
- ✦ Understand the function of the General Assembly
- ✦ Learn how to conduct meetings and prepare Minutes
- ✦ Draft a constitution and bylaws for Small Producer Organizations

Benefits: Putting in place the right systems and structures is not only important but leads to a more strengthened Producer Organization that will be able to stand the test of time. A good governance system will help increase members' confidence as well as give members the opportunity to exercise their right and obligations which can only be achieved when there is accountability and transparency

Direction: Discussions will be limited to governance structures and systems of Small Producer Organizations and how to be in compliance with Fairtrade standards and compliance criteria.

Delivery- 3 Hours

Explanation, Role play, Case study, Exercise, Guidance and Application:

1. Ask participants the following questions;
 - a. What is their understanding of a governance structure of an organization?
 - b. Mention some of the governance structures recommended by Fairtrade standards
 - c. If they know the functions of the governance bodies i.e. the board, management, Surveillance committee, the General Assembly, the delegates
 - d. If the governance structures are present in their respective SPOs

2. Then ask
 - a. If their SPOs are in compliance with the required structures
 - b. Whether they know what they have to do at a General Assembly meeting?
 - c. Share their experiences on how they organise their General Assembly meeting
 - d. What are some of the activities they do at the General Assembly meetings?
3. Tell them that they need to be in compliance with **Fairtrade standard 4.2.1** that they ensure that their SPOs have:
 - a. A General Assembly as the highest decision making body where all major decisions are discussed and taken;
 - b. Equal voting rights for all members in the General Assembly;
 - c. A Board chosen in free, fair and transparent elections;
 - d. Separate roles and responsibilities between the Board and management.
4. Present the content of this section to the participants. Tell them that the structures help separation of powers and enforce democratic procedures within the organization. Help participants to understand clearly the differences in the roles of the board and management. Insist that any lack of clarity between the roles and responsibilities of the Board and management can lead to extreme situations of either power concentration or insufficient room for decision-making. Again tell them that a General Assembly needs to be held **at least once a year**. Members need to be well informed enough in advance so that as many as possible can participate. At each General Assembly Producer Organizations need at least to do the following:
 - a. Discuss and make decisions on all major topics/questions,
 - b. Keep a record of participants,
 - c. Take Minutes (signed by the chair of the board and at least one other member),
 - d. Present annual budgets, reports and accounts for approval, and
 - e. Ask the General Assembly for approval of any non-members on the Board (if applicable).
5. Ask to know if participants have any questions or contributions on the governance structures. Respond to questions if any if not proceed with an activity. This is an application exercise to see how participants will be able to apply knowledge acquired. Share the Case

study on Kigayaza Youth Co-operative (Annex 5.3.1). Ask a participant to read aloud. Ask participants to work in groups of 4. Allow participants to work on the case for some time. Allow participants to make presentations after discussions in their respective groups. Discuss and clarify at the plenary.

6. Continue with how to form SPOs. Ask participants to know if they have any idea about how to form a Small Producer Organization. If the founding member are present at the training, ask to know
 - a. How did they form their SPOs?
 - b. What factors contributed to the success of their groups
7. After the experience sharing session, present the content on the slides with participants and ask to know if they have any question on the steps to follow. Tell them that this is just simplified steps they can adopt. Also on the issue of registration, tell them it depends on each country's legal framework and should be taken into consideration. Also inform participants that the registration of their groups will attract a fee.
8. We are now going to look at Membership categories and contributions to the organization. Brainstorm with participants by asking
 - a. Their membership structure
 - b. How they scout and recruit members
 - c. Is there any defined procedure they follow?
 - d. What are the duties and obligations of members?
 - e. How members can contribute to their SPOs
9. After the brainstorming session, in the presentation, tell participants that based on the principle of cooperative and on the promotion of cooperative as recommended by R 193 of ILO, Cooperatives are;
 - a. Voluntary organizations;
 - b. Open to all persons able to use their services, and
 - c. Willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Also tell participants that SPOs should not discriminate against members or restrict new membership on the basis of race, colour, gender, sexual orientation, disability, marital status, age, HIV/AIDS status, religion, political opinion, language, property, nationality, ethnicity or social origin regarding participation, voting rights, the right to be elected, access to markets, or access to training, technical support or any

other benefit of membership.

10. Tell participants that to ensure Democracy, Participation and Transparency, SPOs should have democratic structures in place and transparent administration that allow members and the board to have effective control over the management of the organization. Tell participants that on the principle of democracy, participation and transparency; Fairtrade Producer Organizations are requested to:
 - a. Hold a General Assembly at least once a year
 - b. Inform members in good time when the General Assembly will take place
 - c. Take Minutes of the General Assembly, to be signed by the president of the Board and the Secretary and must contain a list of participants in attendance
 - d. Present the annual report, budgets and accounts to the General Assembly for approval
 - e. Have administration in place with at least one person or committee who is responsible for managing the administration and bookkeeping
 - f. Keep records and books that are accessible to all members
 - g. Explain to members about the ways they can participate in the organization so that they can have more control over it.
11. Ask to know if the SPOs are in compliance with this directive. If not tell them to put in the necessary measures to be in compliance.
12. Continue the session with the Good governance principles as required by Fairtrade. Ask participant if they can mention some of the good governance principles. Write their responses on the flip chart stand. After several attempts by participants share with them the good governance principles.
13. Now having looked at the good governance structures and democratic procedures, we are now going to look at what are the roles and responsibilities of elected and appointed officers. Ask the following questions;
 - a. Mention the elected positions within an SPO
 - b. Mention the appointed positions with an SPO
 - c. What are the roles and responsibilities of each of the elected and appointed officers?
14. After several answers from participants share with them the defined roles and responsibilities of the

elected and appointed officers. Tell them that the roles and responsibilities must be clearly defined to be able to hold them accountable.

15. Tell participants that the training will continue with how to hold meetings and prepare Minutes. To be able to know and understand how participants organise their meetings ask the following questions;
 - a. What type of meetings do they usually organise?
 - b. What are the things they do before meetings?
 - c. What are some of the things they do during meetings?
 - d. What are some of the things they do after meetings?
 - e. How often do they meet?
 - f. Who is responsible for organising the meetings?
16. As part of your presentation tell participants that to be in compliance with Fairtrade standards and compliance criteria, they need to do the following:
 - a. **Fairtrade standard 4.2.4**-You hold a General Assembly at least once a year.
 - b. **Fairtrade standard 4.2.5**-You inform your members in good time when the General Assembly will take place
 - c. **Fairtrade standard 4.2.6**-Minutes of the General Assembly are taken and signed by the president/chair of the Board and at least one other member and contain a list of participants of the General Assembly
17. Ask participants to know if they have been complying with the Fairtrade standards. If yes encourage them to continue and if not encourage them to do well to comply as non compliances may affect them. Guide participants in a group session to prepare:
 - a. General Assembly Agenda
 - b. General Assembly Notice

Allow participants to make a presentation after discussions in their respective groups. Discuss and clarify at the plenary.

18. Continue with the session on elections and transitions. To get an idea how elections and transitions are carried out within their respective organizations. Ask the following questions to know what is going on;
 - a. How they organise elections
 - b. Factors they consider in nominating people for leadership positions
 - c. What are their election procedures?

- d. Voting methods adopted by the organizations
 - e. Whether there are any detailed procedures on transitions?
19. As part of your presentation tell participants that to be in compliance with Fairtrade standards and compliance criteria, they need to do the following:
 - a. **Fairtrade standard 4.2.3**-You follow your own rules and regulations such as a constitution, by-laws and internal policies, including those for election, decision making, membership processes and board term limit and a delegate (if applicable).
 - b. **Fairtrade standard 4.2.1**-equal voting rights for all members in the General Assembly.
 - c. **Fairtrade standard 4.2.1**- A Board chosen in free, fair and transparent elections
20. End the session with a discussion and presentation on the constitution and bylaws. Ask the following questions
 - a. How was the constitution drafted?
 - b. Were there inputs from members?
 - c. What is the content of the constitution?
 - d. Has the constitution ever been reviewed?
21. In the presentation insist on the need for the organization to have a constitution and bylaws. The constitution and bylaws form the backbone of an organization as they delineate its operational structure. If properly written, they provide transparent direction for the smooth running of the organization and the way the different bodies interact and communicate. In drafting the constitution, there is the need to consider the legal framework in country where the manual will be used. Tell participants that the constitution should capture the following;
 - a. The purpose and main activities of your organization
 - b. Conditions for membership, their rights and duties and who decides on their admission or exclusion
 - c. The organizational structure with a general assembly of members as the highest decision-making authority
 - d. The way members are represented by delegates, if applicable
 - e. Powers and responsibilities of governing bodies, including board of directors and supervisory body
 - f. Procedures for elections of governance bodies, their composition and terms of duty

- g. Frequency of meetings and how these must be organised
 - h. Disciplinary procedures and sanctions
 - i. The way the organization's capital is built up and used, including membership fees and reserves
 - j. Procedures for reform of the constitution
 - k. Steps for dissolution and what happens with the patrimony.
22. Tell participants to be in compliance with **Fairtrade standard 4.2.3** - You follow your own rules and regulations such as a constitution, by-laws and internal policies, including those for election, decision making, membership processes and board term limit and a delegate (if applicable).
23. Guide participants to prepare a draft constitution that can be adopted by a Small Producer Organization. Go round and guide the groups by answering their questions and give further clarification as and when it will be needed. Allow groups to make a presentation of their draft constitution and discuss.

Finish – 20 Minutes

- Summary:** Summarise the session by sharing some key lessons from the training. You can equally ask each of the participants to share what they have learnt from the training.
- Questions:** Ask if anyone has a question or comment.
- Evaluation:** Share copies of the assessment on the module with participants allowing them to take the assessment.
- Next step:** Encourage participants to apply lessons learnt to improve on their governance structures and also be in compliance with Fairtrade standards and compliance criteria.

5.0 Annexes

5.1 Organizational Development learning materials

5.1.1 Game- The web

Materials required

- A tennis ball
- A thread
- Scissors

Instructions

- Ask the participants to stand in a circle. Tell them that they are going to weave a web just like a spider web.
- Take the tennis ball and have one of the participants hold one end of the thread while he/she throws the ball to any other participant. Before the ball is thrown to the selected person, the participant should say one thing that he / she likes about that person.
- The person to whom the ball is thrown should similarly hold the thread and select another person in the group to throw the ball at. The process should be repeated until all the participants are included in the web.
- Ask the participants to hold the thread gently (Holding the thread gently will make everyone feel the pull).
- Have one of the participants pull the thread. Ask if all the other participants felt the pull (All should have felt the pull). Repeat a couple of times with different participants leading to the same result.
- Ask the participants what lessons can be learned from this game.
- Generate discussion relating the lessons from the game to the actual experiences in producer organizations
- Discuss the following questions with participants
 - How will the producer organizations be affected by the actions/inaction of one or a few members? Insist on giving concrete examples in the responses of the participants.
 - How will the actions of the leaders affect the group both in negative and positive ways?

Explain to participants that in a group like SPOs every member is important. Together they can create a beautiful web. But if one of the members lets go of the thread, the web will be affected.

Similarly, if one pulls the thread the others will feel the pull. What one member does will affect all others negatively or positively. The web will collapse and the shape will be affected if one of the members does not participate.

Again explain to participants that when members do not collaborate and participate, the web (the group) will not function properly.

Demonstrate by cutting few places in the web.

5.1.2 Proposed solution for Assessment on Organizational Development

State whether the following statements are True or False. Tick where appropriate

	Statements	True	False
1.	Majority of Small Producer Organizations members should not be small scale producers		✓
2.	Improving the living conditions of producers, training and lobbying are some of the functions of SPOs	✓	
3.	It is better for small scale producers to be independent than to join Producer Organizations		✓
4.	Members participation is not all that necessary in decision making in SPOs		✓
5.	Organising formal and informal learning activities is key in developing sustainable SPO	✓	
6.	A group is made up of different kinds of people with different behaviours and attitudes	✓	
7.	Quiet members are usually the committed center of the group		✓
8.	Collective action allows shared responsibility and risk	✓	
9.	The success and the sustainability of SPOs depend largely on how it is managed by the leaders	✓	
10.	It is cheaper to be alone than to be part of a Small Producer Organization		✓

5.2 Leadership learning materials

5.2.1 Role Play on Leadership Styles

Instructions:

Scene One: Autocratic leadership

1. Select 5 volunteers from the participants for each of the 3 role-plays. Each is asked to act out a meeting of some group.
2. Ask each of the groups to make a decision on some matter of general interest to their group. E.g. decision on how to use Fairtrade premium
3. The first leader to act the part of a very autocratic chairperson: to call for ideas, but not listen to members in his/her group, to squash their suggestions, to impose her/his own point of view on the group.
4. Give each member of the group specific roles;
 - Actor 1 - supports whatever the chairperson suggests
 - Actor 2 - Suggests different views
 - Actor 3 - Supports actor 2
 - Actor 4 - Always opposes the chairperson

Scene Two: Laissez-faire leadership

This follows the same instructions as the first scene. What changes here is the type of leadership exhibited. This time the leader (chairperson) is asked to be very passive. Other members of the team do what they like.

This leader shows little interest, makes no suggestions, does not respond to suggestions of the group, does not help to reach decisions.

Scene Three: Democratic leadership

Here the chairperson is asked to play the role of a democratic leader.

Other members of the team are asked to share their opinions on issues affecting the group.

Questions

1. Ask participants to identify the type of leadership style exhibited
2. Ask participants to identify the leadership style exhibited by leaders in their respective SPOs based on the various scenarios
3. Ask participants to identify the best type of leadership style and why

5.2.2 The bad and the good leader

Activity: *The bad and the good leader*

Instructions to facilitators

- Tell participants that they are going to draw up some qualities of a bad and a good leader
- Divide participants into small groups according to number of participants ensuring that there is an even number
- Ask some groups to reflect and make a list of the qualities of a good leader while the other groups work on the qualities of a bad leader
- Allow participants to work for 20 Minutes after which each group makes a presentation of the outcome of their work.
- Allow each group 5 Minutes for presentation
- Allow 15 Minutes of discussions on the presentations
- Clarify if some of the qualities are confusing
- Ask participants to point out qualities that are exhibited in their respective groups
- Discuss how these leadership qualities have affected the work of their respective SPOs

5.2.3 The bad and the good leader work sheet

Activity: *The bad and the good leader*

Instructions

Participants are expected to make a list of what they think are the qualities of a good and a bad leader. Participants are expected to present their answers using the template below

Qualities of a good leader	Qualities of a bad leader

5.2.4 Leadership roles work sheet

Instructions

Participants to respond to the first question using the template below;

Leadership positions occupied by men	Leadership positions occupied by women
Leadership positions occupied by the youth	Leadership positions occupied by people with disability

5.2.5 Proposed solution for Assessment on Leadership

Match the following statements in Column A with the right answers in Column B

Column A	Column B
1. Leadership	5. Promotes active participation of women and the youth in leadership roles
2. Qualities of a good leader	4. Not considering the interest of the group and keeping information to self.
3. Laissez-faire leaders	2. Inspire, team player, good communication, enthusiastic, passion and vision
4. Examples of mistakes of leaders	1. Motivate and influences other people to achieve a goal
5. Democratic leadership	3. Leave members to decide on whiles giving direction

6. A leader must have passion, vision and be a team player
 - a) **True✓**
 - b) False
7. Leaders may fail when they consider their personal interest instead of that of the group.
 - a) **True✓**
 - b) False
8. Democratic leadership is best recommended for Small Producer Organizations as it helps to ensure active participation of members in decision making.
 - a) **True✓**
 - b) False
9. Leaders must have good communication and problem solving skills.
 - a) **True✓**
 - b) False
10. Leadership of Small Producer Organizations must be democratically elected.
 - a) **True✓**
 - b) False

5.3 Good Governance learning materials

5.3.1 Case Study: Kigayaza Youth Co-operative

Instructions:

Read the story carefully and answer the questions that follow:

The case:

Kigayaza members not only sell products together, they concentrate on sharing information with each other. They share information through trainings and meetings, which they see as a way to build each other's knowledge. The organization has over 100 members who are mainly between the ages of 25 and 30. Through their cooperative, they've been able to build networks with other organizations that provide them with training or farm inputs.

Kigayaza Youth Co-operative faces challenges. It is difficult to recruit female members, to mobilise members and to find resources to further the cooperation. In particular, it is difficult to find resources to build storage for its crops and a mill for its maize, which would enable it to add value to its cash crops. The cooperative also needs a budget to support an administration team, since currently the board coordinates and conducts activities. That said, Kigayaza has a strong leadership and motivated members, many of whom are committed to their cooperative being independent, democratic and autonomous, and running according to cooperative principles and values.

Questions

- ✦ Who are the members of the cooperative?
- ✦ What are the functions of the cooperative?
- ✦ What are the challenges of the cooperative?
- ✦ How can these challenges be addressed?
- ✦ Define the governance structure of the cooperative.

Proposed solution

a) Who are the members of the cooperative?

The members of the Cooperative are the Youth between the age bracket of 25 and 35 years

b) What are the functions of the cooperative?

The functions of the Cooperative are;

- ✦ Marketing
- ✦ Sharing of information
- ✦ Training
- ✦ Access to farm inputs

c) What are the challenges of the cooperative?

Identified challenges of the Cooperative include;

- ✦ Difficulty in recruiting female members
- ✦ Difficulty in mobilising financial resources
- ✦ Inadequate storage facility

- ✦ Lack of processing equipment e.g. Mill

d) How can these challenges be addressed?

- ✦ Embark on membership drive campaigns to recruit more members especially women
- ✦ Encourage membership contribution in the form of dues, donations etc.
- ✦ Develop accountable and transparency systems that will ensure funds are put to good use and report of same shared/presented to members during meetings.
- ✦ Develop grant and funding proposals to raise funds from development partners that support Cooperatives to deliver on their mandate
- ✦ Seek support to build a storage facility that can contain the harvest of Cooperative members
- ✦ Acquire a processing mill to add value to raw materials to increase revenue from sales
- ✦ In the short term recruit volunteers to support the Cooperative with administrative duties. This is cost effective since the Cooperative has challenges with funds

e) Define the governance structure of the cooperative.

- ✦ Management (Administrative Team)
- ✦ Board of Directors
- ✦ The General Assembly

5.3.2 Sample Annual General Meeting Minute template

NAME OF SPO.....

MINUTES OF ANNUAL GENERAL MEETING HELD ON

Starting Time:

Venue:

Opening Prayer

Welcome address

Reading and confirmation of the Previous Minutes

Matters arising from previous meeting

Agenda for the day

Any other business

Closing

In the absence of any further discussions..... moved for the meeting to come to a close and it was seconded by

The meeting finally ended with a closing prayer by at

Minutes recorded by

Signature:

Name of secretary

Secretary

Signature

Name of chairperson

Chairperson

5.3.3 Sample Notice of Annual General Meeting (Invitation to AGM)

NAME OF SPO

NOTICE OF ANNUAL GENERAL MEETING

Date:

From:

To: All members of

Notice is hereby given that the Annual General Meeting ofwill be heldonat.....

To transact the following business (Agenda);

1. Receive the financial statement for the year
2. Appoint a manager
3. Elect new executives
4. Any other business

By order

Signature

5.3.4 Sample Annual General Meeting Agenda

ANNUAL GENERAL MEETING

AGENDA

1. Opening prayer
2. Welcome address
3. Reading and confirmation of previous meetings Minutes
4. Presentation of financial report
5. Elections
6. Other matters
7. Closin

5.3.5 Proposed solution for Assessment on Good Governance

Answer the following questions by selecting the right options

1. Fairtrade encourages democratic, participatory and discrimination among members
 - a. **True ✓**
 - b. False
2. Governance bodies recommended by Fairtrade are;
 - a. **Management, the board of directors, the general assembly ✓**
 - b. Manager, premium committee, coordinator
 - c. The delegates, supervisory body, community leaders
3. How many times per year does the General Assembly meet?
 - a. Every month
 - b. **Once a year ✓**
 - c. Every week
4. Before decisions are made, there should be quorum at the General meeting
 - a. **True ✓**
 - b. False
5. Small scale producers contribute to their groups through
 - a. **Membership fees, cash and kind donations, labour ✓**
 - b. Refusing to vote, attend meetings and delaying decisions
 - c. Making promises, participation in elections
6. How many vote does each member have?
 - a. 5
 - b. 3
 - c. **1 ✓**
7. SPOs don't need to have constitution and bylaws
 - a. True
 - b. **False ✓**
8. What does the chairperson do during meetings?
 - a. **Facilitate the meeting ✓**
 - b. Read Minutes
 - c. Signs documents
9. How can SPOs be transparent
 - a. **By putting in place systems that permit information flow ✓**
 - b. Spending lot of resources
 - c. Team building
10. It is better to appoint officers than to hold elections
 - a. True
 - b. **False ✓**



Fairtrade Africa
Westcom Point Block C
Mahiga Mairu Road, Westlands
PO Box 3308-00200
Nairobi, Kenya

+ 254 202 721 930 / + 254 704 180 169
+ 254 202 721 771 / + 254 202 715 325