

Managing Relationships with Farm Operators in Ghana

Fairtrade Standard for Cocoa

Version 26.09.2023_v1.0

Guidelines for Fairtrade Small-Scale Producer Organizations (SPOs) in the Cocoa Sector in Ghana on the Implementation of Fairtrade Requirements Concerning Farm Operators

Version 26.09.2023_v1.0

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Using this Manual

Purpose of this Manual

This document contains guidelines to implement requirements 3.1.4, 3.1.5, and 3.1.6 concerning farm operators as described in the Fairtrade Standard for Cocoa, version 13.12.2022_v2.0.

Target Group

This document should be used by staff or Board members of Fairtrade Small-scale Producer Organisations (SPOs) to implement the requirements independently or by Fairtrade staff to support SPOs with the implementation.

Use of this Guideline

This document contains the 5 chapters which cover all the 3 requirements. The first chapter explains the general idea behind the new requirements and the benefits for members and farm operators. It also includes an assessment so that as an SPO you understand what needs to be done to reach compliance.

Chapter 2, 3, and 4 cover each a new requirement. Each chapter provides an overview of what is required from SPOs, the benefits of implementing the requirement, expected challenges, and templates that can be used to implement the requirement. Chapter 2 and 3 contain an action list and chapter 4 has guidelines to support implementation. The last chapter contains best practise ideas on how to include farm operators in the SPO.

Implementation Period

All new requirements are Core Requirements that need to be implemented by Year 3. However, all requirements, especially requirement 3.1.5 on formal agreements, will need lots of awareness creation over a longer period. In addition, requirements 3.1.4 and 3.1.6 will need some adjustments to the database of the SPO that will also take time. Therefore, it is of utmost importance to read this document now and start with its implementation as soon as possible. Fairtrade staff are available to answer all your questions, discuss your concerns, and to support you.

Definitions Used

In this document, the following definitions are used.

- Farm owner** A person who holds the land title of the cocoa farm.
- Farm operator** Also called *Whesune*. A person who manages the cocoa farm on behalf of the farm owner. This includes sharecroppers, caretaker farmers, and tenants.
- Sharecropper** In Ghana, sharecroppers are also called *Yemayenkye* (translated into “Do, so we can share”). There are roughly two types of systems: *Abunu* and *Abusa*. Fairtrade considers a sharecropper as someone who manages the land under the *Abunu* system. This means that the sharecropper establishes a cocoa farm on a virgin land and then manages the farm. Often, the cocoa proceeds of the farm are shared on a 50%-50% basis. However, the ratio of sharing can be different, depending on the arrangements between the sharecropper and farm owner. Often the sharecropper covers the costs for farm inputs, such as labourers, fertilizers, and agrochemicals.
- Caretaker farmer** Fairtrade considers a caretaker farmer as someone who manages the land under the *Abusa* system. This means that the caretaker farmer is contracted to manage a mature cocoa farm. Often, the farm owner gets 2/3 of the cocoa proceeds and the farm operator 1/3 of the proceeds, although this can be different, depending on the arrangements between the sharecropper and farm owner. Often, the farm owner covers the costs for farm inputs, such as labourers, fertilizers, and agrochemicals.
- Tenant** Fairtrade considers a tenant farmer as someone who rents the farm from the farm owner. The tenant pays rent and can use the farm for whatever crop he/she wants. There is no agreement on sharing of proceeds of the crop. This type of arrangement is not very common in the cocoa sector but is common in perennial crops including maize, cassava, sorghum, and rice.
- Labourers** Also called *Apaafoo*. This is a temporary or seasonal worker who works on a farm for a specific task (for example weeding, application of agrochemicals, or harvesting) for a short duration. Often, labourers are paid per day or for a specific task. Labourers are not considered as farm operators and are therefore not included in the new Fairtrade requirements concerning farm operators, but rather fall under the scope of the worker requirements defined in the Small-scale Producer Organization Standard.

Fairtrade Standard Requirements

Year for auditing	Date of application	Criteria Type and Applicable For	Fairtrade Standard for Small Producers Organizations	Fairtrade Standard Guidance
3	1 January 2024	Core SPOs in Cote d'Ivoire and Ghana	Requirement 3.1.4 Records of Farm Operators When farm operators (sharecroppers, tenant and caretaker farmers) manage your members' farms, you keep records of these farmers and their association with your members. You update these records on an annual basis. Please see the annex for the information to be recorded for farm operators. Your members are expected to sensitize all farm operators on the Fairtrade Standard (Production) requirements.	Guidance document "Managing relationships with farmer operators" for more information will be available here. The annex will be added to the standard in 2023.
3	1 January 2025	Core SPOs in Cote d'Ivoire and Ghana	Requirement 3.1.5 Formal agreement between Farm Owners and Farm Operators When your members provide or rent their land to a farm operator such as a sharecropper, tenant and/or caretaker farmer to produce cocoa on their farms, or when your members are farm operators and not landowners, you ensure legally binding written contracts are in place which detail the arrangement between the farm operator and the farm owner. You ensure farm operators are aware of their rights and responsibilities, have a signed copy of the contract and that they understand the content by providing it in a format and language they understand.	Guidance document "Managing relationships with farmer operators" for more information will be available here. Details of the arrangement can include: the share of the farm/s production and Fairtrade benefits (FMP differential and premium payments, training and support) between the farm owner and the farm manager, and the contributions of each party towards the arrangements such as land, housing, operating capital, management, labour, rents and other.
3	1 January 2025	Core SPOs in Cote d'Ivoire and Ghana	Requirement 3.1.6 Reporting on Farm Operators You report data to Fairtrade International every year. The data is presented using the available template.	Records of farm keepers: <ul style="list-style-type: none"> - # of registered farm operator by type (sharecropper, tenant, or caretaker farmer) - # of farm operator by type (sharecropper, tenant, or caretaker farmer) who are members - % of farms covered by certification that are - operated by: sharecroppers, tenant farmers, caretaker farmers, and owners Formal agreements between farm owners and farm operators <ul style="list-style-type: none"> - # of farm operators by type (sharecropper, tenant, or caretaker farmer) who have a legally binding contract in place with the farm owner



Chapter 1: Planning the Implementation of the New Requirements

The revised Fairtrade Cocoa Standard for Small-scale Producer Organizations (SPOs) that was published in December 2022, recognizes **farm operators** in Côte d'Ivoire and Ghana. Fairtrade defines farm operators as sharecroppers, tenants, and caretaker farmers (see page 4 for Definitions).

The revised Cocoa Standard includes 3 requirements concerning farm operators (for details of the requirements, see Fairtrade Standard Requirements on page 5):

- Requirement 3.1.4 Records of farm operators
- Requirement 3.1.5 Formal agreements between farm owners and farm operators
- Requirement 3.1.6 Reporting on farm operators

Current situation of farm operators in the cocoa sector

SPOs primarily recognize landowners as their members, while farm operators are commonly found in cocoa production in Côte d'Ivoire and Ghana. Based on anecdotal reports, Fairtrade estimates that farm operators could represent 30-40% in Côte d'Ivoire and up to 60% in Ghana. Farm operators contribute to Fairtrade cocoa production but their inclusion in and benefits from Fairtrade certification are informal and at the discretion of the owner.

In general, farm operators work by means of verbal contract for landowners. Because of the mainly informal agreement, farm operators receive low compensations for the work they do, and their working rights are not always safeguarded. For example, access to clean drinking water, Personal Protective Equipment (PPE), and training are rarely guaranteed. Especially migrant farm operators who might not speak the local language are prone to discrimination and exploitation.

The benefits of recognizing farm operators

As Fairtrade wishes to protect children, prevent deforestation, and improve the income situation of farmers, farm operators must be included under Fairtrade certification and receive its benefits. The first step to formally recognize farm operators in cocoa certification is including the 3 requirements in the revised cocoa standard.

Expected challenges with implementation of the new requirements

Fairtrade recognizes that the non-inclusion of farm operators in the benefits of Fairtrade certification is mainly because most landowners live in poverty themselves. Sharing benefits means a smaller share for everyone, while for example the Fairtrade Premium is already spread thinly due to more supply of Fairtrade cocoa than demand. In addition, formalizing relationships between landowners and farm operators can create issues with land rights.

Therefore, it is important as SPO to see the new requirements as a change process and take your members through it step by step. Continuous awareness creation is key in this process.



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Action List to Plan the Implementation of the New Requirements

As SPO, you need to do the following.

1. Within your SPO, **agree who is responsible** for the implementation of requirements 3.1.4, 3.1.5, and 3.1.6.
2. **Do the assessment** on the next page to check what you already do and what still needs to be done. The assessment should be done by the person identified under step 1 with the support of one or two persons who know the situation in the field very well.
3. **List all the actions** that need to be implemented. Add who will implement the action, when the action will be implemented, and any resources needed. Resources can be financial resources (for example to pay for data collection) but also a questionnaire to collect data or a template for reporting.



Assessment of SPOs Concerning Farm Operators

Discuss the following questions with the SPO to assess which requirements you already (partly) implement.

#	Question	Action to take when answer is YES	Action to take when answer is NO
1	Do members work with farm operators?	Yes, members work with farm operators: – Continue this assessment.	No, members do not work with farm operators: – No action needed.
2	Are farm operators registered as member of the SPO?	Yes, farm operators are member: – Indicate in the membership list if a member is a farm owner or a farm operator. – Check if all required data is collected (see requirement 3.1.4). – Check if all farm operators are registered as member. If not, implement requirement 3.1.4.	No, farm operators are not member: – Implement requirement 3.1.4.
3	Does the SPO collect data on farm operators?	Yes, data is collected: – Check if all required data as listed under requirement 3.1.4 is collected. – Check the Data Collection Form on page 14 for possible future use. – Check if all data is up-to-date and updated regularly.	No, data is not collected: – Implement requirement 3.1.4. – Discuss within the SPO how best to collect this data. – Check the Data Collection Form on page 14 to be used for data collection.
4	Does the SPO have all data as required in Requirement 3.1.6?	Yes, all data is present: – Enter all data in the Template 4.1.	No, some or no data is present: – Implement requirement 3.1.6.
5	Do farm operators attend training programs?	Yes, farm operators attend training programs: – Ensure this is a common practice and not adhoc. – Ensure it concerns sessions that cover production requirements. – Include farm operators in the list of attendees. – Use the training programs to sensitize farm operators and collect their data.	No, farm operators do not attend training programs: – Invite farm operators to training programs, especially sessions that cover production requirements. – Include farm operators in the list of attendees. – Use the training programs to sensitize farm operators and collect their data.



#	Question	Action to take when answer is YES	Action to take when answer is NO
6	Can farm operators attend meetings of the General Assembly (GA)?	Yes, farm operators can attend GA meetings: <ul style="list-style-type: none"> - Ensure that attending farm operators are (elected) representatives of farm operators and not individuals. - Use these meetings to sensitize farm operators and members and collect data of farm operators. 	No, farm operators cannot attend GA meetings: <ul style="list-style-type: none"> - Invite (elected) representatives of farm operators. - Use these meetings to sensitize farm operators and members and collect data of farm operators.
7	Are there written agreements between farm owners and farm operators?	Yes, agreements are written: <ul style="list-style-type: none"> - Ensure all agreements are registered with the SPOs. - Check a few agreements to see if they cover all essentials. - Share the template for contracts with all members for possible use in the future. 	No, agreements are not written: <ul style="list-style-type: none"> - Implement requirement 3.1.5. - Raise awareness among members and farm operators on the benefits of written agreements. - Share the template for contracts with all members. - Ensure verbal agreements are transformed into written agreements.
8	Are chiefs and/or traditional leaders involved in the agreements between farm owners and farm operators?	Yes, they are involved: <ul style="list-style-type: none"> - Check with chiefs and/or traditional leaders that are involved if they can play a role in introducing and facilitating written agreement. 	No, they are not involved: <ul style="list-style-type: none"> - Check with chiefs and/or traditional leaders if they can play a role in introducing and facilitating written agreement.



Chapter 2: Keeping Records on Farm Operators

Requirement 3.1.4 covers two aspects:

- SPOs should keep records on farm operators managing the farms of members and update these records yearly.
- Members should sensitize all farm operators on the Fairtrade Standard (Production) requirements. The sensitization can also be done by the SPOs.

Why should SPOs keep records on farm operators?

The first step towards inclusion of farm operators is to make them visible and to recognize them. If SPOs know who the farm operators are and their situation, it will help SPOs to identify risks concerning child labour, deforestation, and non-compliance of Fairtrade Standards production requirements. SPOs can use the collected data to implement preventive or mitigative actions to avoid that risks become a problem or even lead to non-compliance.

Why should members sensitize their members on production requirements?

Requirements in Chapter 3 of the Fairtrade Standards concern production practices. Most of these requirements must be implemented in the cocoa farm by the person managing the farm, which could be the farm operator. If production practices are not well implemented on the farm, it can lead to non-compliance. To ensure that farm operators know what is expected from them and are capable of applying good production practices, it is key to sensitize and even train them on the applicable production requirements.

What is expected from SPOs?

SPOs should:

- Raise awareness among members and farm operators on the data collection. SPOs should clearly explain why data is collected and how it is being used.
- Collect data from farm operators and incorporate the data in their existing database. Because farm operators can work for more than one farm owner, data must be collected from farm operators and not from farm owners.
- Update the data on farm operators yearly.
- List all Fairtrade requirements to be implemented at the farm.
- Provide members with tools to sensitize farm operators on Fairtrade requirements or organize the sensitization as SPO.

Keep in mind that some farm operators might be member of your SPO. A detailed overview of actions to take, is provided on the next page.

What challenges can be expected?

- *Farm operators are not willing to share their data.* Sensitization is key. Farm operators need to understand why their data is collected, how it is used, and what (indirect) benefits it will have for them.
- *The SPO cannot trace all farm operators.* It is important to start building the list with farm operators during the next internal inspection (year 1). In year 2, data collection from farm operators can start and the list of operators can be updated. Then in Year 3 your list will be complete and you will have data of all farm operators.



- *Farm owners are opposed to collect data from their farm operators.* Also here, sensitization is key. Farm owners need to understand why data of farm operators is collected, how it is used, and what (indirect) benefits it will have for them.
- *Double counting.* Some farm operators work for more than one farm owner, while farm owners can make use of more than one farm operator. In addition, some farm owners own more than one farm and farm operators can also be farm owners (and be member). To avoid double counting, data should be linked to the farm and not just the farm owner. The only practical way to implement this would be to collect the GPS coordinates of farms of members.

What challenges can be expected with sensitization of farm operators?

- *Members do not have the time, skills, or motivation to sensitize their farm operators.* The sensitization can also be done by the SPO. The advantages are that it is easier to keep track of what has been done, every farm operator will get the same type of sensitization, and the SPO can use the sensitization to identify potential challenges with the implementation of the production requirements.



Action List to Implement Requirement 3.1.4

As SPO, you need to do the following **to collect data from farm operators and update it yearly**:

1. Create awareness on the data collection among farm owners. Even though you will not collect data from farm owners, they need to be aware that data will be collected from their farm operators.
2. Collect from farm owners the names and telephone numbers of their farm operators per farm location. To avoid any double counting, link this data to the GPS locations of the farms of members. In case you do not have the exact farm locations yet, it is strongly advised to compile such a list.
3. Set up a database with the names of farm operators and allocate a unique ID code to each farm operator. Some farm operators might also be a member of your SPO. In that case, you use the member ID code that the farm operator already has. To distinguish the farm operator codes from the codes used for members, the code of the farm operators can start with FO indicating it concerns a Farm Operator (FO).
4. Look at the sample Data Collection Form on the next page and decide if any question(s) need to be added.
5. Train data collectors to ensure they understand what data they must collect and how to collect it. It is extremely important that all data collectors understand the difference between sharecropper, tenant, and caretaker farmer.
6. Incorporate the Data Collection Form in your data collection app (if applicable).
7. Agree within your SPO where and when data from farm operators can be collected best (during training courses, internal inspection?).
8. Agree within your SPO how (when and where) best awareness can be created among members and farm operators on the data collection.
9. Create awareness on the data collection among farm operators, before you start collecting data.
10. Collect the data. Every person sharing his/her data should sign a consent form (see page 16 for an example).
11. Incorporate the data on farm operators in your current data management system:
 - a. In case you have data management software (such as FarmForce), contact the supplier of the software how best to incorporate the data of the farm operators in your existing data management system.
 - b. In case you use Excel, open a new file, and allocate it to data of farm operators. Have one heading for every question in your data collection form.
12. If applicable, **link the data on farm operators to farm data** to get an insight in the situation per farm. This can only be done if each farm has a unique code that can be added to the data of the farm operators. Contact your software supplier to know how to link different databases.
13. Update the collected data at least once a year.

As SPO, you need to do the following **to support your members in sensitizing all farm operators on the Fairtrade Standard (Production) requirements**:



1. Agree within your SPO how best to support members: either by providing members the tools to sensitize their farm operator(s) or have your SPO organize the sensitization of farm operators.
2. **Develop a list with practices** that need to be applied at farm level, as listed in the Production chapter of the Fairtrade Standard.
3. **Use the database of farm operators** (as developed in part 1 of this action list) to know **who** needs to be sensitized.
4. In case you want **to provide members with the tools to sensitize farm operators**:
 - a. Distribute to members working with farm operators the list with practices that need to be applied at farm level (see point 2).
 - b. Develop a system for farm owner to keep track of who they sensitized and on what topics (some kind of reporting system).
 - c. During training programs for members, add how best they can transfer the knowledge to their farm operators.
 - d. Discuss during training programs for members, how members can support the application of good practices, for example by providing the farm operators with PPE.
 - e. Offer the support of field officers in case members have challenges in sensitizing their farm operators.
5. In case you as SPO want **to organize the sensitization of farm operators**:
 - a. Organize special training programs for farm operators in which you cover the practices at farm level as listed under point 2.
 - b. Ensure farm operators sign a list of attendance.
 - c. Distribute to members working with farm operators the list with practices that need to be applied at farm level (see point 2) so they can follow up.
6. **Evaluate after one season** what is going well and what can be improved.



Template 2.1 Data Collection Form for Farm Operators Data

It is recommended to collect the following information from each farm operator:

1. **Name of farm operator:**
2. **Type of farm operator.** The farm operator works as:
 - a. Sharecropper only.
 - b. Tenant only.
 - c. Caretaker farmer only.
 - d. Sharecropper and Tenant (on different farms).
 - e. Sharecropper and Caretaker farmer (on different farms).
 - f. Tenant and Caretaker farmer (on different farms).
 - g. Any other type of farm operator only. (STOP THE QUESTIONNAIRE)
3. **The farm operator works for one or more members of the SPO.**
 - a. Yes. The farm operator works for one or more members of the SPO.
 - b. No. The farm operator does not work for any member of the SPO. (STOP THE QUESTIONNAIRE)
4. **Membership status of** (*enter name of SPO*)
 - a. Yes. Add member ID number:
 - b. No. The farm operator is not member of (*enter name of SPO*).
 - c. No. The farm operator is member of another SPO.
5. **Date of birth:** dd/mm/yyyy
6. **Mobile number:**
7. **Number of children younger than 18 years living with the farm operator:**
8. **Number of children younger than 18 years living with the farm operator going to school:**



9. Details on the farms:

	Name of landowner (only landowners that are member of the SPO)	Member ID of farm owner	Farm ID (if not available, add farm coordinates)	Type of farm operator a = sharecropper b = tenant c = caretaker farmer	Type of contract a = written contract b = verbal contract c = no contract
Farm 1					
Farm 2					
Farm 3					
Farm 4					
Farm 5					
Farm 6					

10. Contract status. The farm operator has legally binding contracts in place for farms he/she is working on:

- a. Yes. For all farms he/she is working on.
- b. No. For some farms he/she is working on.
- c. No. For none of the farms he/she is working on.

Each farm operator should get a unique identification number, in case they are not member of the SPO.

Guidelines for the data collector:

- **Question 1:** *The farm operator claims to work on the same farm as Sharecropper and Tenant, or Sharecropper and Caretaker Farmer, or Tenant and Caretaker Farmer. Ask for details on the arrangement the farm operator has with the farm owner which will indicate what type of farm operator is applicable. See Question 2 of the Data Collection Form*
- **Question 2:** *The farm operator is working as a different type of farm operator, for example as worker or labourer (Apaafoo) for the season or a specific task (such as pesticide application or harvest). Probe to find out what type of arrangement the farm operator has with the farm owner to check if indeed the farm operator is not a sharecropper, tenant, or caretaker farmer. In case the farm operator is not a sharecropper, tenant, or caretaker farmer, you mark answer option g (Any other type of farm operator only) in Question 2 and stop the questionnaire.*
- **Question 3:** *The farm operator does not work for any of the members but only for farm owners who are not member of your SPO. Check if this applies for every farm the farm operator works on. If indeed the farm*



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operator does not work for any of your members, you will mark answer option b in Question 3 in the Data Collection Form and stop the questionnaire.



Chapter 3: Contracting Farm Operators

Requirement 3.1.5 covers two aspects:

- There should be legally binding written contracts between farm owners and farm operators managing their farms.
- Farm operators should be aware of their rights and responsibilities, have a signed copy of the contract, and understand the content of the contract.

Why should there be written contracts?

Often, there is a verbal agreement between farm owners and farm operators. According to the law in Cote d'Ivoire and Ghana, these verbal contracts are legally binding as long as they were made in front of witnesses. Especially if chiefs or traditional leaders act as witness, no one will doubt the legality of the agreement.

However, verbal contracts often do not go into detail on what is expected exactly from the farm owner and the farm operator. Disputes arrive when responsibilities, tasks, and remuneration are not clearly stipulated. Especially migrant farm operators might have a disadvantage if they are not fully aware of local traditions and customs. Written contracts can avoid disputes and discrimination of certain groups.

Written contracts will also contribute to the visibility of farm operators and the formalization of their status. It also acknowledges their contribution to cocoa production.

What are benefits of written contracts for farm operators?

A written contract will stipulate clearly what is expected from farm operators. It will protect farm operators from extra responsibilities and tasks that are not covered in the contract. In addition, contracts can also include responsibilities of the farm owner, which is in the advantage of farm operators. For example, the contract can include that the farm operator will get a full set of Personal Protective Equipment (PPE) every 2 or 3 years and/or certain farm equipment, and that farm inputs will be purchased by the farm owner in time. A written agreement also protects the farm operator against a sudden change in responsibilities or worse, replacement of the farm operators without any reason.

What are benefits of written contracts for farm owners?

Written contracts will protect farm owners from extra responsibilities or expectations that are not covered in the agreement. It also gives the farm owner a tool to monitor practices and avoid misuse of certain responsibilities. For example, it will make it more difficult for farm operators to sell their PPE, equipment, or inputs that are supposed to be used on the farm. It will also help to avoid bad agricultural practices, such as the use of herbicides. A written contract will build trust with the farm operator and will motivate the commitment of the farm operator which could lead to higher productivity.

What should be covered in a contract?

The following can be covered in a written contract:

- Contact details of the farm owner and the farm operator
- Term/duration of the contract
- Remuneration



- Terms of payment
- Obligations of the the farm operator towards the farm owner
- Obligations of the farm owner towards the farm operator
- Annual leave
- In case of injuries during work
- Conflict resolution
- Termination of the contract
- Renewal of the contract

What is expected from SPOs?

SPOs should:

- Raise awareness among farm owners and farm operators about the written contracts, including the benefits for both parties and the process to sign a contract. It would be very helpful to get the support of chiefs and/or traditional leaders.
- Inform farm operators about their rights and responsibilities and explain the content of contracts in a language understandable by the farm operator.
- Share the template of the contract (see next page) with members. If needed, add a translation in the local language(s) used in the areas of operation.
- Ensure that all members working with farm operators sign contracts with them, and that all members being farm operators sign a contract with the farm owner(s) they work for.

A detailed overview of actions to take, is provided on the next page.

What challenges can be expected?

- *Members oppose written contracts due to the potential linkages to land rights or any other claims.* A written contract will not create any land rights. At the moment in Ghana, farm operators do not have any entitlement to land rights, even if they work on the land for several years. However, sharecroppers (under the *Ebunu* system) have rights on the trees and are allowed to farm on the land as long as the cocoa trees planted by them are on the land. In case the cocoa trees are removed, either for rehabilitation or transformation to another crop, the sharecropper loses his/her tree rights and can be removed from the land.

It is key that members understand why Fairtrade introduces written contracts and potential benefits for them. This is a process that can take a long time. Although requirement 3.1.5 only needs to be implemented in year 3, it is important to start sensitizing members as soon as possible. Chiefs and/or traditional leaders can play an important role in this.

- *Members oppose written contracts due to the limited flexibility it will create.* Also here, it is important to create awareness about the benefits of written contracts for farm owners, that will outweigh the limited flexibility.
- *Farm operators oppose written contracts due to potential linkages to taxation of income.* At the moment, income farmers earn from the sales of their crop is exempted from tax in Ghana. It is not very likely that this will change in the near future. It is important to share this information with farm operators, especially

migrants from countries where the tax situation might be different. Also here, sensitization over a longer period is key.

- *Farm operators are often illiterate and cannot read the contract.* It is important that a third party reads the contract to the person and explains its content in a language the farm operator understands. In case the person cannot write his/her name, a thumbprint is a legally accepted signature in Ghana.

Action List to Implement Requirement 3.1.5

As SPO, you need to do the following:

1. Develop a strategy for awareness creation on written contracts for farm operators and farm owners (see template 3.2 Checklist for Awareness Creation).
2. Check how many contracts need to be signed. The rule is that you should have per farm 1 contract for every farm operator working on that farm. This means that you should have an overview of the number of farms your members have. Keep in mind that some farm operators work for more than one member and that members can have more than one farm (with different farm operators).
3. Adapt Template 3.1 with the example contract to the local situation in your operation area, if necessary. The term “sharecropper” used in Template 3.1 can be replaced by Tenant or Caretaker Farmer and specifics on work to be done and remuneration can be adapted.
4. Approach chiefs and/or traditional leaders about a possible role they can play in awareness creation and the actual process of signing written contracts.
5. Roll out your awareness creation strategy.
6. Explain and share the example contract with farm owners and farm operators to ensure that all parties understand its content and know how to use the template.
7. Offer support to farm owners and farm operators to sign written contracts.
8. Keep track of the signing of written contracts against your database with farms and farm operators.
9. Follow up with those farm owners and farm operators who did not sign contracts. Keep in mind that the signing of contracts is a Core requirement for year 3.



Template 3.1 Contract Between Farm Owner and Farm Operator

Sharecropper (Ebunu) Service Contract

This contract is made and entered into by and between the following parties:

Full name of the sharecropper:
Residing address (location):
Community:
District:
Region:
Mobile number:
Also referred to as Sharecropper

AND

Full name of the farm owner:
Residing address (location):
Community:
District:
Region:
Mobile number:
Also referred to as Farm Owner.

In consideration of the mutual agreement hereinafter contained, the Sharecropper and Farm Owner agree as follows.

1. Type of Contract

The Farm Operator will work as sharecropper, also known as Ebunu, on the following farm of the Farm Owner:

Location of the farm: (*provide the exact location of the farm*)
GPS coordinates of the farm:
Farm size in hectares:

2. Term of Contract

The term of this contract is for (*enter the number of years*) year during the period (*add the starting date*) to (*add the ending date*).

3. Remuneration

The Sharecropper will be remunerated on the basis of the proceeds of the sales of cocoa pods. This remuneration will be made in proportion to half of the volumes sold by the Farm Owner, that is to say, for each sale, the Sharecropper will receive half of the proceeds received for the sales and the Farm Owner will receive half of the proceeds received for the sales.



The proceeds received for the sales of the cocoa is the proceeds received at the point of sales. Affiliated costs to the sales of the cocoa (including transport) will be covered by the Farm Owner and will not be deducted from the proceeds.

The Sharecropper will not receive any insurance coverage. No SNITT payments will be made for the Sharecropper by the Farm Owner. The Sharecropper is free to take any insurance or make SNITT payments for him/herself.

The Sharecropper will receive for every 5 year he/she has worked as Sharecropper for the Farm Owner a bonus of ... % (*add percentage*) of the average remuneration received over the 5 years. The 5 years do not have to be consecutive.

4. Terms of Payment

The sales of cocoa pods will be done jointly by the Sharecropper and Farm Owner, unless any of them agrees to be represented by someone else. Immediately after the cocoa is sold, the Sharecropper receives his/her share of the proceeds in cash, unless indicated differently by the Sharecropper in advance.

5. Obligations of the Sharecropper Towards the Farm Owner

The sharecropper is responsible for the following activities on the farm as mentioned under point 1 in this contract:

- Clearing the land (only applicable in case of a new farm).
- Planting cocoa seedlings and nurture them to full grown cocoa trees (only applicable in case of a new farm).
- Hand weeding the farm.
- Managing the farm and the cocoa trees according to good agricultural practices as stipulated in the Fairtrade Standards, including management of the environment, pests and hazardous materials, soil and water, biodiversity, waste, and climate change adaptation and mitigation.
- Covering the costs for farm input, such as laborers, fertilizers, and agrochemicals (*if applicable*).
- Covering the transport costs to and from the farm.

The sharecropper is entitled to 8 hours of work for 5 days and 2 days rest per week. In case customary practices in the area require that fields cannot be visited during particular days of the week, that taboo day will be part of the 2 days rest per week.

The sharecropper will apply the following practices during the following period:

- Hand weeding in (*add months*)
- Pruning in (*add months*)
- Harvest in (*add months*)
- (*add any other activity that needs to be carried out in a specific period*)

The sharecropper is not allowed to:

- Use any child below the age of 18 years old to do any work on the farm which is labelled by Fairtrade as child labor and/or keeps the child from attending school. This also applies for children of the Sharecropper.
- Use herbicides to remove weeds from the farm.
- Use pesticides that are on the Red and Orange Hazardous Materials Lists as Published by Fairtrade.
- Reuse empty pesticide containers.
- Store the harvested cocoa in empty fertilizer bags.
- Sell cocoa pods without the permission of the Farm Owner.



6. Obligations of the Farm Owner Towards the Sharecropper

The Farm Owner will supply the Sharecropper with the following:

- A new full set of Personal Protective Equipment (PPE) consisting of 1 overall, 1 set of gloves, 1 pair of boots, 1 pair of goggles, 1 mask appropriate for pesticide application, and 1 hat. The PPE will be in the size of the Sharecropper, unless requested otherwise by the Sharecropper.
- Participation in training programs concerning Fairtrade Standards production requirements organised by the Producer Organisation.
- The Red and Orange Hazardous Materials Lists as Published by Fairtrade.
- (if applicable, add any other equipment that will be provided by the Farm Owner, such as a knapsack sprayer harvest hook, cutlass, etc.)
- Housing (if applicable, add any details on the housing: where it is located, who is allowed to live there, who will cover costs of maintenance, etc.)

The Farm Owner will cover the costs of (add any costs that will be covered by the Farm Owner).

7. Annual Leave

The Sharecropper is allowed 4 weeks of annual leave. The leave can be taken in one period or spread over several periods. The leave cannot be taken during the production seasons.

8. Case of Injuries During Work

In case the Sharecropper is injured during work, XXX (as agreed by the two parties).

9. Conflict Resolution

In case of any conflict, any of the parties may consult the traditional leader in the area, the local authorities, or the Cooperative any of them belongs to.

10. Termination of the Contract

The contract will be terminated by the end date as mentioned in point 2 of this contract.

Termination for cause

The Farm Owner may end this contract if the Sharecropper fails to implement practices as stipulated in this contract. In case of non-compliance, the Farm Owner needs to hand an official warning in writing to the Sharecropper in the presence of a witness. In case no improvements have been observed after one month, the Farm Owner may end this contract.

Termination without cause

Both parties may end this contract without reason for cause at the end of the season upon 1 month written notice. The Farm Owner may end this contract if he/she decides to plant crops other than cocoa on the farm. In that case, the Sharecropper needs to be notified at least one month in advance in writing. In case of rehabilitation of cocoa trees, the contract may not be ended by the Farm Owner.

Termination in case of death



In case the Sharecropper dies, the next of kin will receive half of the proceeds from any sales done within 2 months after the death of the Sharecropper. In case housing is supplied, those sharing the living quarters with the deceased Sharecropper need to vacate the housing within 1 month after the death of the Sharecropper.

In case the Farm Owner dies, the next of kin will share half of the proceeds with the Sharecropper from any sales done within 2 months after the death of the Farm Owner, even if the contract has been terminated.

11. Renewal of the Contract

This contract will be renewed automatically at the end of the contract term, unless in case of termination as stipulated under point 8 in this contract.

Made in (add location) at (add date)

Sharecropper

Witness of Sharecropper

(add name of Sharecropper)

(add name of witness)

Farm Owner

Witness of Farm Owner

(add name of Farm Owner)

(add name of witness)



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Template 3.2 Checklist for Awareness Creation on Written Contracts

The main objective of awareness creation is to inform farm operators and farm owners about the written contracts and create an understanding about why Fairtrade is introducing this.

Think about:

1. **Your target group.** Do you want to create awareness among farm operators and farm owners together, or separate.
2. **Your key message.** It is important to explain the intent of the contract, the benefits for your target group (either farm owners or farm operators), the expected challenges, and the time frame in which contracts need to be signed. In addition, you can talk about the support the SPO can provide, for example with templates for contracts. Ask your audience for their main worries and discuss those worries.
3. **Who will do the awareness creation.** It should be done by someone who has the trust of the members. It is highly recommended to involve someone who is respected in the community, such as a chief of traditional leader.
4. **When and where you will create awareness.** Because sensitization is a process, this means it cannot be done in one meeting or one program. You need to take every opportunity to talk about written contracts, starting as soon as possible. This can be during training programs, group meetings, General Assembly meetings, field visits, internal inspection, or any other event.



Chapter 4: Reporting on Farm Operators to Fairtrade

Requirement 3.1.6 covers two aspects:

SPOs need to report yearly to Fairtrade on:

- *Records of farm operators*
 - Number of registered farm operators by type (sharecropper, tenant, or caretaker farmer).
 - Number of farm operators by type (sharecropper, tenant, or caretaker farmer) who are member of the SPO.
 - Percentage of farms covered by certification that are operated by: sharecroppers, tenant farmers, caretaker farmers, and owners.
- *Formal agreements between farm owners and farm operators*
 - Number of farm operators by type (sharecropper, tenant, or caretaker farmer) who have a legally binding contract in place with the farm owner.

Why should SPOs report to Fairtrade?

Fairtrade wants to include farm operators under Fairtrade certification to better protect children, prevent deforestation, and improve the income situation of cocoa farmers, including farm operators. To know where the challenges are and better target interventions, it is important to know how many farm operators are associated with SPOs. This means that Fairtrade is not interested in personal details of farm operators but rather what situations are common for most. SPOs are in the best position to collect the desired data from farm operators and share it with Fairtrade.

What are benefits of reporting to Fairtrade?

Reporting means that as SPO you need to organize your data and provide an overview of the situation. This will also make you as an SPO aware of the current situation and potential risks, which will help you to better plan and target activities.

What is expected from SPOs?

SPOs should:

- Collect data as part of requirement 3.1.4 (see Chapter 2 on Keeping Records of Farm Operators) as requested by Fairtrade.
- Aggregate data or calculate to get the required indicators (see the Guidelines on the next page on how to aggregate or calculate data).
- Enter all data into the template for reporting (see Template 4.1 on page 30).

What challenges can be expected?

- *Data was collected in paper format which makes aggregation and calculations very cumbersome.* Start with discarding all data collection forms on which answer option g under Question 2 or answer option b under Question 3 is indicated. These people do not work as sharecropper, tenant, or caretaker farmers or do not work for any of the members. The next step is to enter the results in an Excel sheet or any other data software. Then follow the guidelines on aggregating and calculating data. In case you want to do the aggregation and calculation manually, do not just start with counting answers for every question separately,



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because for some indicators you need to take into account the answers of two questions at the same time. Follow the steps on aggregating and calculating data to avoid any double work.

- *No one within your SPOs has the capacity to aggregate data or make calculations or you are not sure how it should be done.* Contact your Fairtrade contact person and ask him/her for support.
- *You do not have data per farm but only per member.* This means that the calculation of the percentage of farms that are operated by sharecroppers, tenants, caretaker farmers, or farm owners takes a few more steps but can be done (see the guidelines on aggregating and calculating data).



Guidelines on Aggregating and Calculating Data

SPOs must report on 4 so-called indicators. Some indicators can be found by simply adding or aggregating collected data, while some need to be calculated. An explanation on how to arrive at each indicator is provided below.

The main challenge with the indicators is **double counting**. Some farm operators might be working on several farms and are for example sharecropper on one farm and tenant on another farm. In addition, single farms might have more than 1 farm operator. To avoid double counting, Question 2 in Template 2.1 (Data Collection Form) gives several answer options to capture the combinations of different types of work.

The first step before you do any aggregation or calculation is to delete all entries that have marked any of the following answer options:

- Question 2 answer option g. This indicates that the person does not work as a sharecropper, tenant, or caretaker farmer.
- Question 3 answer option b. This indicates that the farm operator does not work as sharecropper, tenant, or caretaker farmer for any of the members.

Indicator 1: Number of registered farm operators by type (sharecropper, tenant, or caretaker farmer).

Steps to follow:

1. Go to the results of Question 2 in Template 2.1 in which farm operators indicate as what type of farm operator they work.
2. Aggregate the number of farm operators for each answer option.
3. Add the numbers in Template 4.1.

Indicator 2: Number of farm operators by type (sharecropper, tenant, or caretaker farmer) who are member of the SPO.

Steps to follow:

1. Go to the results of Question 4 (Membership status) in Template 2.1 in which farm operators must indicate if they are member of the SPO or not. You also need the results of Question 2 (Type of farm operator).
2. Select the results of those who have indicated to be member of the SPO (this is answer a) combined with the results of Question 2 (Type of farm operator). With your selection you now have all farm operators who have indicated to be member of the SPO.
3. Sort the results per type of farm operator (Question 2) while keeping the results linked to Question 4 (Membership status). You will now have for each type of farm operator those who are also member.
4. Aggregate the number of farm operators for each answer option.
5. Add the numbers in Template 4.1.

Indicator 3: Percentage of farms covered by certification that are operated by: sharecroppers, tenant farmers, caretaker farmers, and owners.

Steps to follow in case farms of members have a unique ID code or farm coordinates:

1. Merge the results of Question 9 (Details on farms) with the list of Farm IDs.
2. Sort the data on Farm IDs or farm coordinates. In case some Farm IDs are listed more than once, it means that on that particular farm more than one farm operator works. In that case:
 - a. Check with the farm owner if indeed this is correct. If the actual situation is different, correct the data.
 - b. Delete entries for which the same type of farm operator is indicated and leave one entry. For example, if Farm X has two caretaker farmers, you delete one entry.
 - c. Merge entries for which different types of farm operators are indicated. For example, if Farm X has one tenant and one caretaker farmer, you delete one entry and add to the remaining entry [tenant, caretaker farmer].
3. Count the total number of unique farms. In case farms are mentioned more than once, go back to step 2b and 2c.
4. Sort the data on type of farm operators (as indicated in Question 9).
5. Aggregate the number of farm operators for each answer option. Farms that were not indicated in the results of Question 9 do not have any sharecropper, tenant, or caretaker farmer. It is assumed that these farms are managed by farm owners.
6. Calculate per type of farm operators the requested percentages.
 - Example 1: The total farms managed by sharecroppers is 18 while the total unique farms is 120. The percentage farms managed by sharecroppers is $18/120 = 0.15 * 100\% = 15\%$.
 - Example 2: The total farms managed by a sharecropper and a tenant at the same time is 5 while the total unique farms is 120. The percentage farms managed by sharecroppers and tenants at the same time is $5/120 = 0.04 * 100\% = 4\%$.
 - Example 3: The total farms NOT managed by any sharecropper, tenant, and/or caretaker farmer is 64 while the total unique farms is 120. The percentage farms managed by farm owners is $64/120 = 0.53 * 100\% = 53\%$.
7. Add the percentages in Template 4.1.

Steps to follow in case no unique farm ID codes or farm locations were entered:

1. Merge the results of Question 9 (Details on farms) with the list of Member IDs.
2. Sort the data on Member IDs. In case some Member IDs are listed more than once, it means that that particular member has more than one farm operator working for him/her. In that case, check the location of the farm.
 - a. If the locations are different, it means that the member has different farms. You leave the data as it is.
 - b. If the locations are the same, you:

- Delete entries for which the same type of farm operator is indicated and leave one entry. For example, if Farm X has two caretaker farmers, you delete one entry.
 - Merge entries for which different types of farm operators are indicated. For example, if Farm X has one tenant and one caretaker farmer, you delete one entry and add to the remaining entry [tenant, caretaker farmer].
3. Sort the data on type of farm operators (as indicated in Question 9).
 4. Aggregate the number of farm operators for each answer option. Farms that were not indicated in the results of Question 9 do not have any sharecropper, tenant, or caretaker farmer. It is assumed that these farms are managed by farm owners.
 5. Calculate per type of farm operators the requested percentages.
 6. Add the percentages in Template 4.1.

Indicator 4: Number of farm operators by type (sharecropper, tenant, or caretaker farmer) who have a legally binding contract in place with the farm owner.

Steps to follow:

1. Go to the results of Question 10 (Contract status) in Template 2.1 in which farm operators must indicate if they have legal contracts or not. You also need the results of Question 2.
2. Select the results of those farm operators who have indicated to have legal contracts for all farms they work on (this is answer a) combined with the results of Question 2 (Type of farm operator). With your selection you now have all farm operators who have indicated to have legal contracts for all farms they work on.
3. Sort the results per type of farm operator (Question 2) while keeping the results linked to Question 10 (Contract status). You will now have for each type of farm operators those who have legal contracts for all farms they work on.
4. Aggregate the number of farm operators for each answer option.
5. Add the numbers in Template 4.1.



Template 4.1 Report on Data on Farm Operators

Complete the table below:

Indicator	Results in numbers
Indicator 1: Number of registered farm operators by type	
Number of farm operators working as Sharecropper only	
Number of farm operators working as Tenant only	
Number of farm operators working as Caretaker farmer only	
Number of farm operators working as Sharecropper and Tenant	
Number of farm operators working as Sharecropper and Caretaker farmer	
Number of farm operators working as Tenant and Caretaker farmer	
Indicator 2: Number of farm operators by type who are member	
Number of farm operators working as Sharecropper only who are member	
Number of farm operators working as Tenant only who are member	
Number of farm operators working as Caretaker farmer only who are member	
Number of farm operators working as Sharecropper and Tenant who are member	
Number of farm operators working as Sharecropper and Caretaker farmer who are member	
Number of farm operators working as Tenant and Caretaker farmer who are member	
Indicator 3: Percentage of farms covered by certification that are operated by sharecroppers, tenants, caretaker farmers, and owners	
Percentage of farms operated by sharecroppers	
Percentage of farms operated by tenants	
Percentage of farms operated by caretaker farmers	
Percentage of farms operated by owners	
Indicator 4: Number of farm operators by type who have a legally binding contract in place with the farm owner	
Number of farm operators working as Sharecropper only having a legal contract	
Number of farm operators working as Tenant only having a legal contract	
Number of farm operators working as Caretaker farmer only having a legal contract	
Number of farm operators working as Sharecropper and Tenant having a legal contract	
Number of farm operators working as Sharecropper and Caretaker farmer having a legal contract	
Number of farm operators working as Tenant and Caretaker farmer having a legal contract	



Chapter 5: Including Farm Operators in Fairtrade Certification

There are several ways to include Farm Operators in Fairtrade, ranging from inviting them to training programs to allow them to become member of your SPO.

Ideas for including farm operators in the SPO

There are several ways how farm operators can be included in your SPO:

- **Open the attendance of training program on production requirements to farm operators** or organize special training programs for them.
- **Open the attendance of the General Assembly meeting to farm operators.** Just as members do, farm operators could elect their representative(s) who can join the meeting. Representatives could be given voting rights. This is requirement 4.1.14 (Participation of workers in the General Assembly) in the Fairtrade Standard.
- **Allocate one seat in the Premium Committee to farm operators** to allow them to be involved. Representatives could be given voting rights.
- **Allocate funds from the Fairtrade Premium to projects** that will specifically **benefit farm operators**. This is requirement 4.1.13 (Activities for workers in the Fairtrade Development Plan) in the Fairtrade Standard.
- **Set up a separate membership category for farm operators.** This can be as Full Member, which means that each farm operator would have the same rights and responsibilities as landowners. Another possibility would be to include farm operators as Associate Member, which means that farm operators would not have voting rights and are not eligible for a position in the Board of Directors. It would be possible for both possibilities of membership to allocate one chair in the Board to an elected representative of the farm operators.
- **Set up a Health and Safety Committee**, partly led by farm operators. The committee would be in charge of sensitizing and education farm operators on the relevant work hazards and monitoring health and safety on the farm.

Other ideas to support farm operators are¹:

- **Sensitise farm operators** on the SPO's grievance mechanism (Fairtrade requirement 3.2.4, active as of July 2023). A well-functioning mechanism would also serve as a valuable management and quality control tool and give Fairtrade the chance to pre-emptively engage on issues before they take on other dimensions.
- **Sensitise farm operators** the Human Rights and Environmental Due Diligence (HREDD) as described in section 3.2 of the Fairtrade Standard for Cocoa.
- **Promote proper living conditions of farm operators**, in case SPO members supply housing for farm operators. The SPO can develop a checklist with basic living conditions for farm operators.
- Use part of the Fairtrade Premium **to purchase PPE for farm operators.**

¹ Source: Workers in SPOs. Executive Summary.



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- **Apply Fairtrade requirements** that only apply if members have 10 or more workers, **to all workers**. It specifically includes requirements on conditions of employment (requirements 3.3.18 to 3.3.26), and occupational health and safety (requirements 3.3.28 to 3.3.36).