



Home of Fair Trade
Enterprises

World Fair Trade Organization Constitution

Version approved at the 2019 WFTO EGM in Peru

Preamble

This Constitution is written under Dutch law and may only be interpreted within its meaning under Dutch law. The Dutch text determines the interpretation and explanation of the Constitution; the English translation is used for reference only. Except as expressly provided for in the Constitution and By-Laws, the General Meeting may in its discretion exercise all the powers of the association.

WFTO is a not-for-profit, voluntary, membership association.

Article I

NAME AND PLACE

The association is named: World Fair Trade Organization, hereafter named by its abbreviation WFTO. WFTO according to its Constitution is registered in Amsterdam.

Article II

DURATION

WFTO was entered into for an indefinite period of time.

Article III

OBJECTIVES

WFTO aims to improve the livelihoods of economically marginalised producers and workers, and change unfair structures of international trade, mainly by means of Fair Trade, to improve and co-ordinate the co-operation of its member organisations and to promote the interests of and provide services to its member organisations and associates.

Article IV

MEANS

1. WFTO will achieve its objectives together with recognised WFTO branches or platforms, as designated by WFTO through a Memorandum of Agreement, its member organisations and associates.

WFTO reaches its objectives by:

- 1.1. Monitoring the compliance of its members with the WFTO Fair Trade Principles and ensuring that all members meet the requirements of the WFTO Guarantee System which is recorded and detailed in the Guarantee System Handbook;
- 1.2. Providing a WFTO label for the use of guaranteed trading organisations that fulfil the requirements of the WFTO Guarantee System;
- 1.3. Promoting, stimulating and enabling co-operation and exchange of information between its members in the fields of marketing, market research, product development, and campaigning;

- 1.4. Co-ordinating international campaigns, initiated or decided on by the Board or Global Office;
- 1.5. Promoting, stimulating and enabling co-operation in the field of marketing of goods and commodities from member organisations, especially from the South;
- 1.6. Promoting, stimulating and enabling the financing of Fair Trade and market access;
- 1.7. Communicating regularly with members with updates on Fair Trade and WFTO activities;
- 1.8. Organising and convening a regular International Fair Trade Summit in combination with the General Meeting;
- 1.9. All other activities decided on by the General Meeting or the Board.

Article V

MEMBERSHIP AND ASSOCIATE STATUS

1. WFTO consists of Guaranteed Members, Provisional Members and Associates who have a clear commitment to Fair Trade as the core of their mission.
2. Fair Trade is defined as a trading partnership, based on dialogue, transparency and respect that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, economically marginalised producers and workers. Fair Trade organisations have a clear commitment to Fair Trade as the principal core of their mission. They, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade.
3. Guaranteed Members and Provisional Members are required to be members of a WFTO regional branch, where they exist.

Guaranteed Members

4. In order to become Guaranteed Members, organisations have to comply with the WFTO Guarantee System, as detailed in the WFTO Guarantee System Handbook.

Provisional Members

5. Organisations are considered Provisional Members when they have been approved for Provisional membership by the Board but have:
 - 5.1. not yet fulfilled the requirements in the Guarantee System Handbook;
 - 5.2. been found by the Global Office to not fulfil their monitoring obligations; or
 - 5.3. been found to be non-compliant with the WFTO Standard through the processes outlined in the WFTO Guarantee System Handbook.

Associates

6. Associates share an exceptional commitment to Fair Trade. They do not have the same rights as Guaranteed Members or Provisional Members, and Associate status is not equal to membership. The following sub-categories of Associate status are recognised:
 - 6.1. Associate Organisations;
 - 6.2. Individual Associates;
 - 6.3. Honorary Members, who can only be individuals.

Article VI

ADMISSION

Admission of Guaranteed Members, Provisional Members and Associates will take place according to the regulations stipulated in the WFTO Guarantee System Handbook.

1. Membership commences on the day on which membership dues have been received by the Global Office. The Board may establish a pro rata fee for the year in which new Provisional Members or Associates are approved.
2. Associate status is granted by the Global Office.
3. Honorary membership status is given at the discretion of the General Meeting.

Article VII

RIGHTS, PRIVILEGES AND RESTRICTIONS OF GUARANTEED MEMBERS, PROVISIONAL MEMBERS AND ASSOCIATES

1. Guaranteed members have the right to:
 - 1.1. Use the WFTO Product Label free of charge following the approval of their registration by the WFTO Board and completing the relevant administrative steps required by the Global Office;
 - 1.2. Use the WFTO Membership Mark and publicise their membership of WFTO;
 - 1.3. Actively participate in all activities of WFTO;
 - 1.4. Receive all mailings from the Global Office;
 - 1.5. Stand for nomination for, and if elected serve on, the Board of Directors;
 - 1.6. Serve on (sub)-committees;
 - 1.7. Attend scheduled international Fair Trade Summits and regional meetings;
 - 1.8. Attend the General Meeting, and the business sessions preceding it, with authority to speak and to put forward resolutions;
 - 1.9. Vote in person or by proxy at the General Meeting according to the procedures detailed in the By-laws.
2. Provisional Members and Associates have the right to:
 - 2.1. Participate in WFTO activities;
 - 2.2. Receive all mailings from the Global Office;
 - 2.3. Serve on (sub)-committees;
 - 2.4. Attend regional meetings and scheduled international Fair Trade Summit;
 - 2.5. Attend General Meetings.
3. Provisional Members and Associates are restricted from:
 - 3.1. Using the WFTO Product Label;
 - 3.2. Using the WFTO Membership Mark in any form without the permission of the Global Office;
 - 3.3. Serving on the Board;
 - 3.4. Voting or bringing forward resolutions at the General Meeting.
4. Honorary members have the right to:
 - 4.1. Describe themselves as a "WFTO Honorary Member";
 - 4.2. Be invited and attend WFTO International and Regional Summits if they wish to do so;
 - 4.3. Speak to, and be heard by, the WFTO Board on any subject relating to WFTO;
 - 4.4. Speak to, and be heard by, the WFTO members and General Meeting on any subject relating to WFTO;
 - 4.5. Enjoy free registration at the International Fair Trade Summit (accommodation costs not covered).

Article VIII

OBLIGATIONS OF GUARANTEED MEMBERS, PROVISIONAL MEMBERS AND ASSOCIATES

1. Each Guaranteed Member, Provisional Member and Associate organisation must file with the Global Office:
 - 1.1. A copy of their most recent official annual accounts by 31 October each year, and – if the accounts are audited - the auditors' report;
 - 1.2. All documents relating to monitoring obligations as stipulated in the WFTO Guarantee System Handbook.
2. Guaranteed Members, Provisional Members and Associates are obliged to pay an annual fee, which is determined by the Membership Fee Policy document approved by the General Meeting.
 - 2.1. Payment is due within thirty (30) days of receipt of the invoice unless otherwise indicated.
3. All members and Associates are obliged to maintain their contact details up-to-date and inform the Global Office of any changes.

4. Honorary members must:

- 4.1. Be available to act as a sounding board for WFTO policy and strategic decision making where necessary and requested to do so;
- 4.2. Be willing to be called upon to Chair meetings for WFTO (including the General Meeting);
- 4.3. Be available to form special task forces for WFTO as required;
- 4.4. Act as ambassadors for WFTO and the Fair Trade Movement at all times.

Article IX

RESIGNATION, SUSPENSION AND TERMINATION OF MEMBERSHIP AND ASSOCIATE STATUS

1. The membership of a Guaranteed Member, Provisional Member or Associate is suspended if:
 - 1.1. The board determines the Guaranteed Member, Provisional Member or Associate has acted in conflict with the Constitution, regulations or resolutions of the association, or damages the association in an unreasonable way;
 - 1.2. The Guaranteed Member, Provisional Member or Associate has not complied with the Guarantee System Handbook or Financial Policy;
 - 1.3. Participation rights will be automatically restored on payment of the sum due prior to the end of the calendar year.
2. The membership of a Guaranteed Member, Provisional Member or Associate terminates:
 - 2.1. Upon receiving a written resignation of membership by the Global Office;
 - 2.2. If the Guaranteed Member, Provisional Member or Associate, being a legal form of organisation, is dissolved due to bankruptcy or other causes;
 - 2.3. The Board may terminate a Guaranteed Member, Provisional Member or Associate where the Member or Associate has not complied with the requirements in the Guarantee System Handbook or Financial Policy;
 - 2.4. At year end, the membership of all suspended members and Associates of WFTO will be terminated by WFTO. In order to be reinstated, a terminated member must reapply according to the procedures outlined in Article VI.
3. A member can resign from WFTO membership upon receipt of a written resignation letter by the Secretariat.

Article X

GENERAL MEETING

1. Every year there shall be a General Meeting of WFTO.
2. An Extraordinary General Meeting may be organised by the Board if the need arises to have a vote on necessary issues and will serve the same functions as a General Meeting.
3. The General Meeting shall be called by the President or Secretary as approved by the Board, with notice to members at least four (4) weeks prior to the day of convention. This notice may be sent electronically.
4. Further the Board is obliged to convene a General Meeting within three months of receiving the written request of at least such a number of members as is authorised to cast one tenth of the votes.
 - 4.1. If the request is not fulfilled within fourteen days, the requestors are entitled themselves to convene in the way prescribed in item 2 above.
5. The General Meeting shall be conducted according to the By-Laws of WFTO and allows electronic voting for all eligible members as outlined in the By-Laws.
6. A specific action taken by the General Meeting is not binding on the governing bodies of member and associate organisations and individuals if that action infringes the integrity of a member or causes the organisation or its representative(s) to act in a manner contrary to its own articles of association.
7. Minutes of the Board meetings and the General Meeting will normally be recorded by the Global Office and approved by the Board Secretary. Copies of minutes will be distributed to all Guaranteed Members, Provisional Members and Associates immediately after approval by the Board's Secretary. Minutes will be presented at the next meeting for final approval. The Global Office will maintain a Book of Minutes containing minutes of all official meetings.
8. The following have access to the General Meeting:
 - 8.1. Representatives of Guaranteed Members;

- 8.2. Representatives Provisional Members and Associates;
- 8.3. Honorary members;
- 8.4. Other persons by written invitation from the Board.

Article XI

BOARD OF DIRECTORS

1. The Board of Directors is responsible for the management of WFTO's activities including the General Meetings and biennial Fair Trade Summit and may, for such meetings, co-opt members and/or delegate defined areas of responsibility.
2. The President and Board Directors are elected for four (4) year terms and may serve a maximum of two (2) consecutive terms for a total of eight (8) years.
3. The Board is composed of a minimum of five (5) and a maximum of eleven (11) Directors.
4. Five (5) Directors of the Board are nominated by the WFTO regions. Each WFTO region – Asia, Africa and Middle East, Latin America, Europe and Pacific - nominates one Director. The General Meeting elects these five (5) directors.
5. The President and three (3) Directors of the Board are elected by the General Meeting. Only current or past officers or staff persons of a WFTO member are eligible to stand for election and must have the support of their member organisation. The election is governed by the By-laws.
6. The Board elects its own Vice-President, Secretary and Treasurer from among its Directors. One (1) Director can hold a maximum of two (2) posts if no other Director is a candidate for these functions.
7. The Board has authority to co-opt additional Directors such that the total Board size does not exceed eleven (11) Directors:
 - 7.1. Based on budget restrictions;
 - 7.2. To achieve gender and geographical balance;
 - 7.3. To replace a Director who resigned, passed away, no longer represents a WFTO member organisation or had represented an organisation whose membership was terminated.
8. Co-opted Directors have to stand down at the next General Meeting attached to the Fair Trade Summit to allow for the possibility of election.
9. Board Directors are elected to represent the interests of all WFTO members, and not just the interests of their own particular organisation, region or type of activity.
10. Regional and country chairs cannot combine these roles with being global WFTO directors.
11. A Board Director may be removed from office by resolution of the General Meeting provided that four (4) weeks' notice is given of the intention to consider the resolution, or upon termination of the WFTO member to which the Board Director is attached.
12. The Board meets as often as the President and Secretary find advisable based on the activity and as the budget allows.
13. There shall be a Chief Executive of WFTO to whom the board can delegate certain authorities.
14. The board delegates responsibility for carrying out the work plan within the approved budget to the Chief Executive. Any expenses beyond budget require approval of a majority of the Board.
15. The Chief Executive and, upon invitation, Global Office staff attend, and speak at, Board meetings but are not voting members.
16. The Board usually acts by consensus. A simple majority will determine the action when there are significant differences of opinion.
17. The minutes of Board meetings are recorded by the Secretary and approved by the Board before distribution.
18. The Board may appoint sub-committees as budgets allow to complete specific tasks within a given time.
19. The Board is authorised to establish a Global Office of the WFTO.

Article XII

FUNDS

1. The funds of WFTO consist of:

- 1.1. Annual membership fees and contributions from members;
 - 1.2. Grants;
 - 1.3. Other fees, revenue streams and contributions.
2. The WFTO fiscal year is the calendar year.

Article XIII

AMENDMENTS AND DISSOLUTION

1. The Constitution can be amended by a two-thirds majority of the votes cast at a General Meeting based on prior notification of the amendment being given with the calling notice.
2. An amendment of the constitution does not take effect until a notary deed of the amendment has been drafted.
3. WFTO can only be dissolved by a two-thirds majority of the cast votes at a General Meeting where a minimum of three-quarters of all members are present or represented by proxy. Prior notice on dissolving WFTO must have been given with the calling notice.
4. In case of dissolution, the assets of WFTO will be remitted to another not-for-profit organisation chosen by the Board on the basis of its leading principle.

Article XIV

FINAL ARTICLE

1. The working language of WFTO is English.
2. The original language of this Constitution is Dutch.
3. The Constitution will be translated into English for reference only.