# Report

## Workshop on developing FTL's standards

August 5, 2016, in Vientiane & August 9, 2016, in Luangprabarng



Participants in LPB

## Organized by

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#### I. Background

Since 2012, Fair Trade Laos (FTL) had established its own certification body and system with minimal membership standards for verifying the organizations, social enterprises, producer groups who want to become a Fairtrade organization. However, as Fair Trade is a very new concept of social development in Laos, also a first step for FTL members to understand and realize the advantages of Fairtrade therefore FTL issued minimum on mutual trust or self-assessment procedure to start FTL Cert pilot project.

Until 2016 after four years of pilot FTL decided to evaluate the pilot and take a step to upgrade FTL standards and procedure to become more qualified, provide the members the know-how and means to be Fairtrade Organization. The new version of FTL certification system and standards are expected to be finalised and implemented during the end 2016.

Therefore, FTL hold the workshop with its members to present the new draft of standards and ncertification system to members and asked them to provide input/feedback to those standards in order to ensure that it fits/suitable to local business ecosystem. The workshop was helped on August 5, 2016 with the members in Vientiane and 7 August, 2016 with members in Luangprabarng. The outcomes of this workshop are:

- Participants had a better understanding on the new draft standards and certification system of FTL.
- Participant had chance to provide feedback to improve the standards and system
- FTL got comments/feedback from the participants to the draft document which will be used as reference to edit FTL standards.
- FTL had a better understanding on current conditions of social enterprises on implementing FT and CSR in business operation.

#### II. Participants

➤ 5 August, 2016, Vientiane. There were 13 participants.

- Fair Trade Laos Staff : 4 people

- Participants from 6 organizations in Vientiane and 1 organization in Chanmpasack province. : 9 people

> 9 August, 2016, Luangprabang. There were 10 participants.

Fair Trade Laos Staff
 Participants from 5 organizations in Laungprabang.
 7 people

## III. Tool and Metrology

FTL provided the draft FTL standards documents to participants to review before the workshop. Presentation through PowerPoint had provided with documents to review.

Firstly, participants divided into groups to brainstorms on "What are the **Social** and **Environment** problem that your organization concern about? And "How can you solve these problems through your business practices?" Then, FTL briefly introduced the participants about draft standards

(Membership standards and Products standards). After that, each group discussed in detail on the standard in order to give feedback before wrap up and present to the big group..

#### IV. Results

Received below comments from participants to improve the draft of standards and procedure:

- Should use the simple language for easier understanding in both Lao and English version.
- The compliance criteria No. 1.1 should be stated in more detail about the process and timeframe to consider and improve the policy.
- The compliance criteria 1.2 change from "Continuous Improvement" to "Mandatory" and remove key staff.
- Compliance criteria 1.5 should be applicable to non trading organization (NTO).
- Compliance criteria 2.3For an optional based on available resources should be the certification officer from FTL to collect feedback from the producer. Random check approach should be considered. Also select the group representatives in community level to provide feedback.
- Overtime work in Compliance criteria 4.2: participants want FTL to determine choices in the standards for the company to reward its staffs who do overtime works such as provide compensation days or hours. Also if the worker is willing/self-voluntary to work for his/her career development. But maximum 2 hours per day not exceed 3 times per week. Overtime can be fix by the company as flat rate by day or by hour for every staff not classify by the salary of each position.
- Social security was also raised in the discussion that FTL it should determine alternative options to comply that based with the organization situation of member, such as the company provide health insurance for the staffs through private company or establish an internal health care fund inside the company.
- Participants request FTL to organize peer-peer workshop on social security system amongst member to build awareness on the long term benefits of the system.
- Yearly health checking on 6.1 should be conduct based on actual/appropriate available budget of the company.
- Fair Trade premium money: it was raised to consider if it could be another fund. Such as fair trade development fund that managed by the company for helping the society.

#### V. Next Plan

- Edit the standards regarding the comment from the participants.
- Finalize new system with a clear TOR for each position in the certification body.
- Develop tool for evaluating the standards compliance.
- Recruit certification committee members and focal points of company.
- Organize workshop for members' focal point on new FTL standards and Cert system in order to be able to conduct self-mentoring and evaluation on the new procedure and standards. Tentatively, VTE in September 21 and LPB in September 23.

#### VI. Future Improvement

- Document preparation.
- Improvement of presentation

- Better coordination with the participants especially informing the workshop venue should be more rapid.
- Encouraging participant to review the document before the meeting.

### VII. Challenges

- The participants are both Lao and foreigner so there was some problem with the communication.
- Participants did not review the document before the workshop so most of them did not understand the meaning of standards.

#### Annex1:

Draft FTL standards See the attachment.

#### Annex 2:

| Agenda |  |
|--------|--|
| 8:30   | Registration and Networking Tea  |
| 9:00   | Welcome and opening Remark from FTL  |
| 9:15   | <ul> <li>Group discussion on         <ul> <li>"What should your organization concern about on the <i>Social</i> and <i>Environment development?</i>"</li> <li>"How can you solve those problem through your business practices?"</li> </ul> </li> <li>Presentation from each group.</li> </ul> |
| 9:50   | Presentation on Draft Membership and Product Certification standards from FTL team.  |
| 10:15  | <b>Group Discussion</b> The participant in each group discuss about the new draft standard ( <i>Social</i> ) in order to get feedback to that document.  |
| 10:45  | Networking Tea and Group Photo   |
| 10:45  | Continue group discussion about the new draft standard standards ( <i>Social</i> ) and each group summary the feedback and present.  |
| 12:00  | Networking Lunch   |
| 13:30  | Continue group discussion about the new draft standard standards ( <i>Environment</i> ) and group presentation.  |
| 14:15  | Presentation on Certification system   |
| 15:00  | Networking Tea   |
| 15:15  | Q&A  |
| 15:50  | Conclusion and Closing remark  |
| 16:00  | Close Workshop   |

# Annex 3: Evaluation Result

At the end, we did evaluation with the participants about the workshop.

- **Coordination:** 35% very good, 62% good.

- **Prepared Document:** 15% average, 38% good, 46% very good.

- **Info Presentation:** 15% average, 31% good, 54 % very good

- Facilitation and Methodology to lead the discussion: 38% good, 62% very good

- **Space to give feedback:** 38% good, 62% very good

- **Participant of attendees:** 38% good, 62% very good

- Venue: 8% average, 38% good, 54 very good

- **Overall:** 46% good, 54% very good

#### Things that should be improved:

- Projector and Provide more information

- Document preparation

- Workshop should be more formal

- Informing about workshop venue

#### Photo of Participants and workshop activities in VTE & LPB







