

Appendix 1- Reporting, Licence Fee and Payment

Fee 2024

1. Licence Fee: based on a report in Fairtrade Connect the Licensor will send the Licensee an invoice for the Licence Fee. The Licensor is entitled to invoice an advance payment per quarter.
2. Invoicing will be done by quarter.
3. The invoice must be paid within 30 days.
4. Quarterly reports have to be submitted within 30 days after the end of the quarter. For all reports submitted after this period the Licensor will charge the Licensee a fixed amount of € 20- per day.
5. Licence Fees for the Product(s) covered by the Contract in the Territory (excluding Switzerland):

Sector	Product Group	Product Line	Category	Fee 2024	Fee Type	Unit
Food	Alcoholic Beverages	Beer & Spirits		2,25%	value-based	Euro
	Alcoholic Beverages	Wine		€ 0,136	volume-based	Litres
	Appetizers, Nuts and Dried Fruits			2,25%	value-based	Euro
	Chocolate, Biscuits and Confectionery			2,25%	value-based	Euro
	Cold Beverages			2,25%	value-based	Euro
	Desserts, Cakes and Ice-creams			2,25%	value-based	Euro
	Fresh Fruits and Vegetables			€ 0,0343	volume-based	Kilograms
	Hot Beverages	Hot Coffee	Coffee	€ 0,228	volume-based	Kilograms
	Hot Beverages		Instant coffee	€ 0,228	volume-based	Kilograms
	Hot Beverages	Hot mix beverages		2,25%	value-based	Euro
	Hot Beverages	Tea and Herbal Tea		€ 0,480	volume-based	Kilograms
	Jams, Honey and Spreads	Jams & Spreads		2,25%	value-based	Euro
	Jams, Honey and Spreads	Honey		€ 0,183	volume-based	Kilograms
	Rice, Pasta and Ready-prepared food	Other categories		2,25%	value-based	Euro
	Rice, Pasta and Ready-prepared food	Grains, seeds and rice		€ 0,091	volume-based	Kilograms
	Spices, Seasoning and Cooking aids			2,25%	value-based	Euro
	Sugar and Sweeteners			€ 0,069	volume-based	Kilograms
	Non Food	Cosmetics			2,00%	value-based
Flowers				€ 0,0078	volume-based	Stems
Plants				2,25%	value-based	Euro
Young plants				1,00%	value-based	Euro
Sportsballs			2,00%	value-based	Euro	
Textile				2,00%	value-based	Euro
Carbon Credits			3,50%	FCC Minimum price	Euro	

The Licence Fee is exclusive of VAT and payable for the quantity of Product sold in kilos (excluding the weight of the packaging) or wholesale value¹.

The Licence Fee per kilo/liter can be adjusted annually, effective 1 January, based on the consumer price index (CPI), series relating to all families (deduced), of the past year as published by the Central Bureau of Statistics (CBS).

Delegation of fee payment: some Licensees delegate fee payment to their suppliers. In these cases the fee of the Hone NFO of the licensee apply, unless agreed otherwise.

6. All Licensees need to have a valid certification or verification contract (for Licensees who only buy and sell consumer ready products) with FLOcert. The certification/verification fee will be invoiced by FLOcert.
7. Discount based on volumes

Licensees can get a discount on their Licence Fee for their sales in the Netherlands. The discount is based on the total Licence Fee, for sales in the Netherlands, per year and has the following thresholds:

Total Licence Fee per year	Discount %
€ 0 – 84.700	-
€ 84.700 - 169.400	25% discount on the amount above € 84.700
€ 169.400 - 254.100	50% discount on the amount above € 169.400
> € 254.100	75% discount on the amount above € 254.100

8. Discount for dedicated Fairtraders

Licensees, who comply with the following conditions, can apply for the discount mentioned below instead of the discount in the previous article.

Condition:

Over 90% of the relevant sales of the Licensee have to be realized by Products with the Certification Mark. Relevant sales means under the brands of the Licensee and in FLO product categories (for which FLO standards exist)

The discount is based on the total Licence Fee, for sales in the Netherlands, per year and has the following thresholds:

Total Licence Fee per year	Discount %
€ 0 – 84.700	30% discount
€ 84.700 - 169.400	30% discount on the amount above € 84.700
€ 169.400 - 254.100	55% discount on the amount above € 169.400
> € 254.100	80% discount on the amount above € 254.100

¹ Turnover of Fairtrade products. For retailers selling consumer ready products to end consumer this is usually the purchase value of the Fairtrade products.



(*) An additional 10% discount can be granted if a plan of innovation or producer support is approved by Licensor.

(**) An additional 5% discount can be granted if a plan of innovation or producer support is approved by Licensor.

Dedicated Fairtraders also receive a 30% discount on export.

9. As mentioned in Sec. 6, an Audit Body can perform inspections. These are included in the licence fee. However, if a Licensee cancels an announced inspection later than 10 working days before the scheduled date of the inspection, the Licensor will charge € 650/day to the licensee.
10. On request of the Licensor the Licensee will send a confirmation letter for the reported sales figures during the period stated by the Licensor. This letter has to be signed by a legal representative.