

Outcome evaluation of the **Fair Trade USA Needs Assessment Redesign**

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Preface

Wageningen Economic Research, partnering with Pabla van Heck as independent consultant, conducted an outcome evaluation of the Needs Assessment Redesign process and toolkit which were piloted among coffee smallholder farmers in Colombia and among hired labor at tomato and berry farms in Mexico.

The evaluation was based on a combination of qualitative and quantitative methods: key informant interviews and focus group discussions combined with surveys among Fair Trade USA staff, Certificate Holders, hired labor farm workers (Mexico) and smallholder farmers (Colombia) both before and after the implementation of the NAR pilot.

The outcomes of the evaluation will allow Fair Trade USA as well as external stakeholders to improve and finetune the Community Development Fund projects and Needs Assessment toolboxes and standards where needed, serving the interests of smallholders, hired labor farm workers, and their communities in the best ways possible.

We thank Sarah Binion, Kate Williams, Jen Burkett and Aime Medina for their trust and collaboration on this project. We also thank the Premium Participants, Fair Trade Committee Members, Certificate Holders and FTUSA staff who participated in our research and dedicated their valuable time to us.

Reading guide: glossary, color-coding and icons

Glossary of frequently used terms:

- **Certificate Holder (CH):** Entity holding the Fair Trade certification.
- **CH Implementer:** CH employee who is responsible for the implementation of the FT requirements.
- **Fair Trade Committee (FTC):** Committee (elected by premium participants) responsible for identifying needs of beneficiaries of the Community Development Funds, and the use of these funds.
- **FTUSA Consultant:** FTUSA producer services staff providing advice to their CH accounts.
- **Needs Assessment (NA):** Process to elicit needs within the community.
- **Premium:** Price premium above the purchase price of the FT Certified product.
- **Premium Participant:** hired labor or smallholder farmers linked to the CH.

Color codes for quotes & charts

Data from different respondent types is color coded as follows:

- Fair Trade Committee (FTC)
- Premium Participants
- Both FTC and Participants combined
- CH implementer
- Fair Trade USA

Icons

Data related to the key outcome areas is identified with the following icons:



Empowerment



Effective & accurate



Inclusion & satisfaction

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 - Empowerment of the FTC is not a linear process, but cyclical and continuous
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 - The Question Bank became the Needs Assessment Survey
 - Inclusion of Participants' daily realities and challenges in the survey appears to be sub-optimal
 - Effort was put into ensuring the Needs Assessment survey language would resonate with the respondents
 - Who administers the survey and how, matters
 - Data from an old NA might be out of date and inaccurate
 - Existing knowledge of needs among other value chain actors is currently underutilized

- Prioritizing needs and defining projects is not easy

▪ [INCLUSION & SATISFACTION](#)

- Mixed messaging might create false expectations about who the Premium is/should be benefiting
- Not all Participants benefit equally from the Premium
- Participants' needs are diverse; one project is likely not enough
- Community projects might be less inclusive than presumed
- Defining projects before the actual premium is known could lead to dissatisfaction

4. Key overall take-aways

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1. INTRODUCTION

Needs Assessment Redesign for more producer-driven development

The Premium on Fair Trade certified products provides communities with agency to determine and finance their most pressing needs. These could, for example, be needs related to community infrastructure, health and sanitation services, or housing. However, the approach to Needs Assessments (NA) greatly varied across localities, and no uniform approach nor guidelines to support the NA implementation existed. This resulted in inconsistent implementation of NAs and resulting projects, and, hence, in varying degrees of community impact.

For this reason, FTUSA received a grant from the Walmart Foundation for a Needs Assessment Redesign to strengthen support for producer-driven community development projects along FT supply chains.

Fair Trade USA™ Awarded Grant from Walmart Foundation to Deepen Impact

Multi-year grant supports the creation of tools and resources to enable impactful community development investments by fair trade farmers and workers.

The Needs Assessment Redesign and Pilot

The NAR toolkit and Pilot

The Needs Assessment Redesign (NAR) process and toolkit was developed in partnership with GRID Impact, using a human-centered design approach. It originally consisted of 6 steps and 4 tools (*see figure*), which were further refined by FTUSA during the pilot. A 5th tool was also added to the toolkit: 'define actions', or the so-called prioritization matrix.

The redesigned process and tools were piloted at different sites in Mexico and Colombia during 2021 with the support from FTUSA consultants. CH implementers and Fair Trade Committee (FTC) members were involved as key users of the pilot toolkit.

The objective of the pilot was to test and learn about the efficacy of the process and tools, before the new NA process and tools will be implemented widely at FTUSA sites.

While all tools were offered during the pilot, not all were consistently applied: therefore, the Survey Question Bank and the Prioritization Matrix were the key tools that were evaluated.

The 4 original tools:



The **Survey Question Bank** is a tool to help develop a Needs Assessment survey. It provides a bank of (potential) questions related to the themes as specified by the Standard. Kobo, a digital survey application, is also part of the tool.

The **Prioritization Matrix** is a 5-step tool to prioritize needs and define subsequent actions to address the prioritized needs.

The new NA approach was piloted in two different agricultural contexts

FTUSA piloted the new NA approach in two different agricultural settings: smallholders in Colombia and farmworkers in Mexico. Staff at FTUSA and the Certificate Holders (CH) were involved with the roll-out of the pilot to Fair Trade Committees and Premium Participants at the participating CHs.

The farmworkers were employees/hired labor workers of the participating berry/tomato producers, while the smallholders were independent members of a cooperative or federation of coffee producers. All participating CHs were certified for several years and had prior experience with conducting a needs assessment (though not all with FTUSA).

Smallholders in Colombia

Coffee farmers:
Cauca, Nariño,
Caldas regions



Farm workers in Mexico

Tomatoes & berries:
Baja California, Sonora,
Guanajuato regions



Certificate Holders Participating in the pilot

	Crisp	Heaven Sent*	San Vicente	Natura Quality Foods	Anserma	Cauca & Nariño
Country	Mexico	Mexico	Mexico	Mexico	Colombia	Colombia
Products	Tomatoes	Berries	Berries	Tomatoes	Coffee	Coffee
Certification Year	2012	2017	2017	2019	2008 FLO**	2014 FLO
Total workers/ producers	540	170	1,700	188	2,200	5,800
Profile	Permanent farmworkers	Majority of farmworkers permanent (80%)	Majority migrant farmworkers	Permanent farmworkers	Smallholders	Smallholders
Projects	Multiple (school bus, computer center, etc.)	Home improvement	Health center	Home improvement	Multiple projects	Clean drinking water
Previous NA Experience	Yes	Yes	Yes	Yes (but non-compliance)	Not with FT	Not with FT

Evaluation Approach

The Evaluation Framework

Three outcome indicators were defined by FTUSA for the NAR redesign and its evaluation:

- 1. Empowerment**
- 2. Effective & Accurate**
- 3. Inclusion & Satisfaction**

These were used as the key lenses for the evaluation, and the findings of the post-pilot research in this report were structured accordingly. Findings specific to the Toolkit can be mainly found in the 'Effective & Accurate' section.

In addition, there was a desire for the evaluation to capture unanticipated outcomes, positive or negative, so as to gather a full understanding of the NAR intervention. A broad research perspective that looked beyond the Toolkit was therefore applied throughout the evaluation. Various intersecting experiences, processes, policies, and capabilities were also considered.

	1. Empowerment	2. Effective & Accurate	3. Inclusion & Satisfaction
NA experience			
NA Expectations			
NA Tools			
NA Standard requirements			
NA Roles & responsibilities			
Democratic Premium process			

A phased approach to the evaluation



Pre- & post-pilot phases | The evaluation consisted of various (iterative) phases and activities which took place before and after the implementation of the NAR pilot (*see scope on next slide*). This report focuses on the Post-pilot findings. The full pre-pilot outcomes are available in separate documents.

Methods | The evaluation is based on a combination of qualitative and quantitative research methods: key informant interviews and (mini) focus group discussions combined with surveys. A literature review was also part of the process.

Research respondents | Qualitative research was implemented with FTUSA staff, CH implementers and FTC members. The quantitative surveys included FTC members and Premium Participants as respondents.

COVID impact | The evaluation (and the pilot) took place during the COVID pandemic. Therefore, the WUR research team was not able to travel as originally planned, and all research was implemented remotely. The overall experience was positive, with the caveat that no qualitative research was done with Participants. For their perspective, the evaluation relies on the input that was provided through the quantitative surveys.

Pre-pilot and post-pilot research scope

Scope of pre-pilot study

The pre-pilot situational analysis and survey sketched an overview of the awareness of FTUSA certification and familiarity with FT premium and how it was spent in recent years among FTUSA staff, CHs, FTC members, and Premium Participants. Other topics included were confidence in the FTC and sense of being represented (for Premium Participants), attitude towards the role of the FTC in executing the NAR & capability of implementing the NA (for FTC members) and perspectives on outcome areas.

In addition, a literature analysis was conducted about best practices in conducting Needs Assessments.

Scope of post-pilot study

The post-pilot study takes a broader view to identify potential barriers that hamper the NAR through the lens of the three outcome indicators.

The post-pilot study looks both at the use of the two tools that were consistently implemented (Question Bank and Prioritization matrix) and at the wider process and Standard requirements around the NAR.

Pre- and post-pilot quantitative surveys: topics for premium participants and committee members

Pre-pilot survey <i>Premium Participants & Committee members</i>	Post-pilot survey	<i>Premium Participants</i>	<i>Committee members</i>
Demographics	Demographics	X	X
Awareness of FT premium, projects & premium allocation process	Experiences with the NA survey	X	X
Statements on outcome areas	Experiences with the General Assembly and voting for projects	X	X
Suggestions for the NA process	Project satisfaction	X	
	Relations with the FTC	X	
	Relations at work	X	
	Experience as committee member		X
	Relations with workers		X
	Experiences with defining projects		X

2. SUMMARY OF PRE- AND POST-PILOT FINDINGS

Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA

Summary Literature Review: A careful process around determining how to address the defined needs

The literature review provided (theoretical and practical) information on how to conduct an inclusive and effective NA. A NA is a decision-making tool, used by FTUSA to facilitate the decision-making process of the FT premium spending. To design an inclusive and effective NA, first local conditions and structures should be investigated. The NA should be flexible to differences in local contexts. Moreover, the needs of the community will be better addressed in the NA in case the beneficiaries are empowered to contribute to the different stages of the NA.

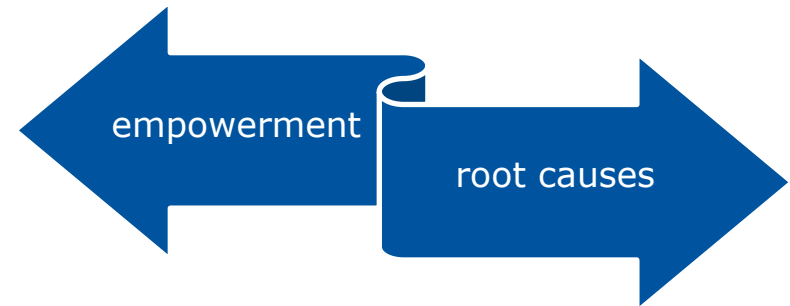
Effective planning and managing of the NA process requires some clear decisions. First, a well-defined scope in terms of the target group, time frame and desired output should be defined. Based on these preparations, the NA team or coordinator can choose the desired methods for the specific situation and determine a sampling strategy adequate for this method. Interpretation of the collected data and defining the needs are the last stages of the NA. There are multiple

decision-making tools to interpret and prioritize the needs of the community. It is important to begin the analysis without a solution in mind. In the end, the results of the analysis should be reported in an informative product with a clear set of needs.

The NA is only one part of the full process around planning a development project (or spending the FT premium). It does not determine potential ways to address the defined needs. The options for these solutions, their feasibility and desirability should also be carefully considered. For this, many of the same considerations should be taken into account as for the needs assessment, such as ownership of the process for the community, and the power dynamics at play. This part of the process is beyond the scope of this document, but that does not mean it is any less important.

Summary Situation Analysis: Empowering FTCs vs ensuring quality NA outputs will be a balancing act

- There is an apparent mismatch between the skills required for a NA & the skills that FTC members have
- Therefore, the NA process is too demanding for the FTC and it requires (dedicated) support from CH and FTUSA staff
- There might be an opportunity to leverage data that is already collected and recorded by the CHs
- The outcomes of NAs do not (consistently) identify root causes, yet there is a vision and ambition for these to be identified by the NA
- The translation of the NA outcomes to project selection does not meet expectations
- The emphasis on 'community' projects is a challenge for migrant populations



Summary Pre-pilot Survey*: Participants were positive and well informed about the NA process, but **FTC members** had concerns

Premium Participants indicated they were positive and well informed about the NA process.

- Respondents were well informed about FTUSA. They knew their company/cooperative was FT certified and they were aware of the NA process.
- They were satisfied with the role and capabilities of the FT committee.
- Chosen projects were well received, and respondents indicated they would not have chosen differently.
- Respondents were positive about the NA process. They appreciated the methods used to conduct the NA, the freedom to participate and their representation in the outcomes.

FTC members in Colombia and Mexico were less positive about the NA process and their role in it.

- Survey questions could be improved to better reflect the needs of the community.
- FTC members needed support of company/cooperative staff to conduct the NA.
- FTC members in Colombia indicated they did not believe they were in the best position to lead the NA.

Sample pre-pilot survey

	Participants	Delegados**	FTC
Mexico	216	NA	28
Colombia	78	57	15

* Results from the pre-pilot survey are available upon request.

** Delegados only exist in coffee (Colombia) and were lumped in as premium participants.

Summary post-pilot research: Standard requirements hamper the NA from reaching its full potential

The NA process and outcome is governed by requirements in the Standard related the NA and the Premium Plan. There are several prerequisites that appear to limit the NA from reaching its full potential:

- *Unrealistic expectations regarding FTC maturity:* the responsibilities of a FTC increase over time, coupled to the year in the certification cycle. However, FTC membership is not static; members leave and new members join over time, who need to be trained and empowered in their role. Therefore, FTC maturity cannot be presumed.
- *The definition of mandatory themes for the NA:* by requiring that the NA cover at least 5 predefined themes, (some) FTC members felt not all locally relevant challenges were covered and that they did not have sufficient freedom to add topics. Questioning those 5 themes also takes up space (ie time) in the survey, reducing the available bandwidth to discuss potential other needs.
- *Only requiring a NA every 3 years:* needs change over time, and likely with more frequency than every 3 years. The majority of Participants indicated they would prefer for a NA to take place yearly, or more frequently.
- *Restriction of cash & in-kind Premium spending:* there is a (institutional) bias that favors the spending of Premium on community projects. This is further strengthened by the limitation of cash/ in-kind projects, while most Participants felt that that the Premium should primarily benefit them.

Summary post-pilot research: the NAR toolkit was well received, but there is room for improvement

Having a toolkit and process that supports the CH and the FTC with the NA was overall highly appreciated, and certainly better than having none at all. However, there were also areas for improvement.

Well-received

FTUSA Consultant support: the dedicated FTUSA support during the pilot was very appreciated, both by the FTCs and CHs;

Question Bank: was seen as a great reference and source for developing a NA survey as the CH/ FTC no longer had to start from scratch;

KoBo: digitizing the survey was perceived to be much better than previous paper surveys, especially by the CH, as this avoided manual transfer of the data.

Discussions facilitated by the Prioritization Matrix: this step in the process brought together FTUSA, the CH and the FTC to discuss survey outcomes and develop Project proposals; thereby proactively bringing together their complementary perspectives and knowledge

Areas for improvement

Contextualization: the toolkit is aimed at (only) collecting needs from Participants. Yet, the CH and FTC have relevant local knowledge that might be capitalized on more when developing a NA;

Question Bank Language: (some of) the language used was deemed too technical and an effort was made to make the surveys more 'friendly'. Also, a few questions were formulated so that they were offering solutions.

Question Bank Instructions: even though the intention was for the Bank to be a starting point to tailor further, it became the survey itself, with only a few adaptations, and too long.

Prioritization Matrix: while the process was appreciated, the tool was too complex, with numerical exercises and several analytical steps.

3. POST-PILOT FINDINGS

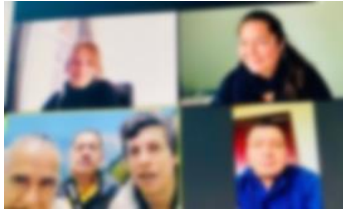
Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA

Post-pilot research approach

Post-pilot research approach: Interviews & focus groups

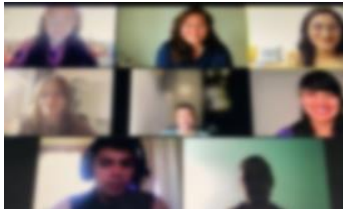
Mini-group with FTC Smallholders



Mini-group with FTC farmworkers



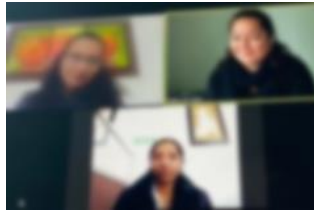
Quant enumerator training Mexico



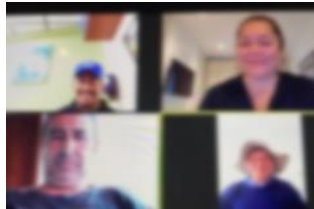
Mini-group with FTC farmworkers



Dyad with CH field staff



Mini-group with FTC Smallholders



Interviews and mini-focus group discussions were held remotely with CH staff and FTC members in Mexico and Colombia. These sessions were administered through Zoom video calls by Spanish-speaking WUR team members. The internet connections and devices were facilitated by the CH implementers and respondents were mostly located at the CH offices and/or in some instances at their own home. During one dyad the WIFI at the CH field office failed and the respondents moved to a nearby internet shop/service provider.

Qualitative respondents	#
Interviews	15
	FT staff 7
	CH implementers 8
Mini-group discussions	30
	FTC members 24
	CH Field staff 6
Total respondents	45

Premium Participants were not part of the qualitative phase.

Post-pilot research approach: Survey

Data collection

- Data were collected in May and June 2022 by freelance enumerators that FTUSA had experience with (Mexico) and a local research consultancy contracted by WUR (Econometria, Colombia). All enumerators were trained by WUR.
- In Mexico, the team used a video connection (Zoom) in designated rooms at the farms; in Colombia, the survey was conducted via phone connection.
- FTC members responded to a tailored version of the survey, hence they were asked a different set of statements compared to the Premium Participants.
- Heaven Sent did not Participate in the post-pilot survey.

Sample

Mexico | Workers were interviewed based upon availability on the day the survey took place. Management was asked to at least ensure a mix in gender, positions on the farm (e.g. harvest, packaging), permanent and temporary workers.

Colombia | Farmers were randomly sampled based on gender and village/community.

Survey respondents	Farmworkers	Smallholders	Total
FTC members*	22	15	37
Participants**	92	75	167
Total			204

** Includes 18 delegates among smallholder participants

* FTC roles			
President	3	Treasurer	4
Vice-President	1	Member	16
Secretary	5	Other	8

EMPOWERMENT



Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA

Support by FTUSA consultants and CH implementers
is essential for the FTC



Not all CHs are equal; their motivation toward FT is a key determining factor in empowerment outcomes

Participating CHs have varying levels of motivation and different attitudes towards their FT certification. Some are mainly driven by commercial reasons and pursue certification to meet client demands. Others are committed to being socially responsible and seek to create impact for their Participants and the communities where they operate. Their size, investment capabilities and whether they are managed directly by the owners or by investors are other potential differentiators.

The manager's or owner's rationale for being FT certified likely influences the level of resources and effort that is made to support their Implementing staff. This in turn influences the type of support that the CH implementer can provide the FTC, and ultimately how successful the empowerment process of the FTC is.

The level of commitment of the CH is key. We need a minimum process for those who are only doing this to comply with client requirements. – FTUSA

Some CH owners/managers are really worried about the workforce, and others just aren't. – FTUSA

Some CH implementers are passionate and willing to help, they are looking to train and empower. Others might not always have the patience and time to support and train and give them information. – FTUSA

The company gives me the liberty to support the FTC, help show them the way and sensitize them. I want the people to grow, but I have to be patient, I have to repeat things many times. – CH implementer



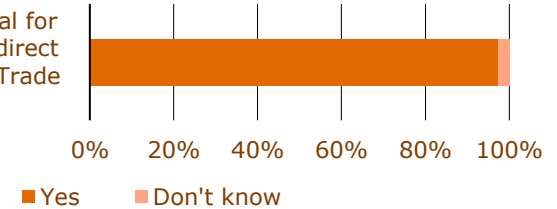
FTUSA staff usually support their counterparts at the CH; yet FTCs valued their direct contact during the pilot

FTUSA's field staff members are the first point of contact for the CH and their implementing staff. It is pivotal that they are trained well in any new tools for successful transfer of knowledge and capacity building to the CH. FTUSA consultants are committed to the (potential) impact that the FT system brings through the Premium, and make significant efforts to facilitate projects through their engagement with the CH.

During the NAR pilot the relevant FTUSA consultants indeed had a crucial role in 'handholding' the CH. And this time they also supported the participating FTCs directly. This direct contact was well appreciated by the FTCs, with nearly everyone agreeing that a direct relationship with FTUSA was beneficial for the Committee.*

*Due to the Covid pandemic their support during the pilot was often provided remotely.

Do you think it is beneficial for the committee to have a direct relationship with the Fair Trade consultant?



Accompaniment by the FT consultant was very important. She trained the field staff, gave them confidence. – CH staff

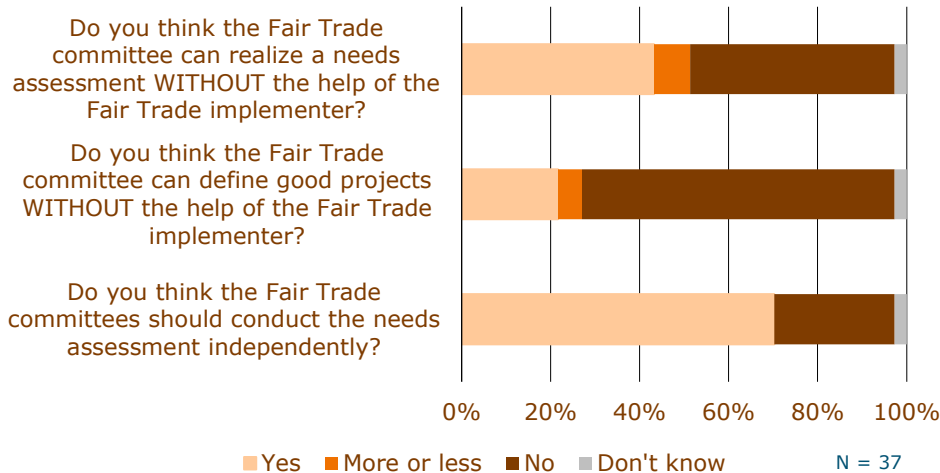
The FT consultant helped us with the survey, they held our hand during the pilot so we wouldn't get too lost, together with the CH implementer. – FTC

We had 3-4 meetings with the FTC and the FTUSA consultants to make modifications. – CH implementer



The FTCs do not think they can realize a NA or projects without the help of the CH implementer

While FTC members feel they should conduct a NA independently, they do not think that they can do this without support from the CH implementer. Hence, the CH implementers appear to be key stakeholders in the empowerment of the FTC and the fulfillment of their NA responsibilities. Their profile and other tasks are likely to influence how much time they can dedicate to this, and how equipped they are to provide support.



The FTC is responsible to present during the Assembly, but it is not easy for them at all. They gave us the word to help them explain. – CH staff

If they don't get sufficient support, it makes the workers feel not interested and nervous. They don't know how to express themselves or read sometimes. Doesn't give them confidence. – FTUSA

It's not about doing it for them – because then they won't learn – it's about empowering the FTC. – CH implementer

I think it's very important that the FTC has a person there to support them, every company should have this. – CH implementer

Empowerment of the FTC is not a linear process,
but cyclical and continuous



The FTC is not static and requires continuous support with the NA

The standard seems to couple the development of the FTC to the 6-year certification cycle, distinguishing different levels of responsibilities over time. For example, by Year 3 FTC members should be trained on how to conduct a NA and by Year 6 the FTC should have an active role in updating the NA. This implies that FTC membership is expected to be at least for 6 years. However, in practice it is likely that FTC members will come and go at any given time. This might be because Participants leave the program, or FTC re-elections are encouraged by the CH. In addition, new projects and responsibilities might emerge over time. As a result, it can not be assumed that FTCs will be empowered 'enough' after 6 years. Rather, it is likely that they will need continuous support from the CH implementer. Every new FTC (member) needs to be trained, regardless of the CH's certification year.

Even in Year 6 there is a turnover in the population ... generally that means that you don't have a very mature committee, but maybe in factories it's easier to reach a level of 'empowerment' of the committee... – FTUSA

We re-elect the entire committee every 2 years, so every two years I have to train the new group. – CH implementer

I recommend that FT be engaged already in year 1 of the cycle. – FTUSA

The standard defines that the first time around the CH is responsible for the NA. But I think this is odd because the committee rotates and so in year 6 it may be again a new committee – so coupling this doesn't really make sense. – FTUSA

In the agriculture industry we can have a 'floating' workforce – and so we have the elections, but then in 6 months the season is over, and the workers leave. Many times, they don't return, so the company has to continually renew the committee; there was an effort to develop them and then they have to start over. In other cases, with more longer-term workers the committee functions better. – FTUSA



The standard doesn't prescribe a maximum term or minimum re-election cycle

73% of surveyed FTC members have been a member for more than 3 years. The standard does not prescribe a maximum term: this is left to the FTC constitutions. As a result, there appears to be a wide degree of variety in FTC membership durations; ranging from 6 months to 8 years.

Some of the CH implementers and FTUSA consultants encourage re-election cycles of 2-4 years as maximizing membership terms is perceived to be more democratic. Rotating roles within the FTC is also seen as a way to distribute power, so that—for example—the length of a certain person being the President of the FTC is curtailed.

Rotating helps with transparency, here we won't have the same president for 20 years. – CH implementer

The most mature FTC member has been with us for 4 years but in a different position. Every 2-3 years the posts are rotated. – CH implementer



The 'consejo directo' and other committees change every two years. – CH

We have an election for the committee structure every 4 years. – CH implementer

I recommend a term of 3 years so the FTC can reach some maturity ... Too long isn't democratic, but otherwise they don't reach maturity. – FTUSA

After 8 years it's time for me to leave; the next generation will have to take over... We would like to be satisfied that we left something behind. – FTC



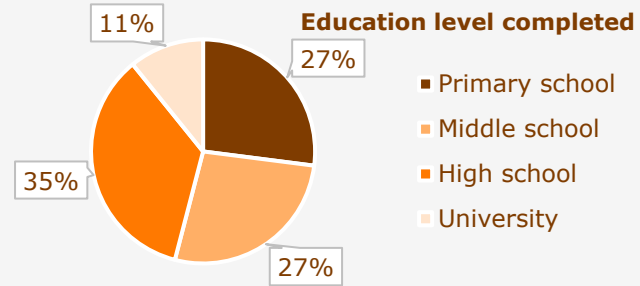
Without maximum FTC terms, the personal development benefits might remain exclusive to a small group

More than half of the surveyed FTC members did not complete education beyond middle school. Many expressed that learning new things was a key benefit of being part of the FTC. To be able to fulfill their duties, the CH is required to provide the FTC with relevant training. At the same time, these benefits only apply to a small group of people. Ensuring rotation and re-elections would also ensure that more people have access to the development opportunities provided to the FTC.

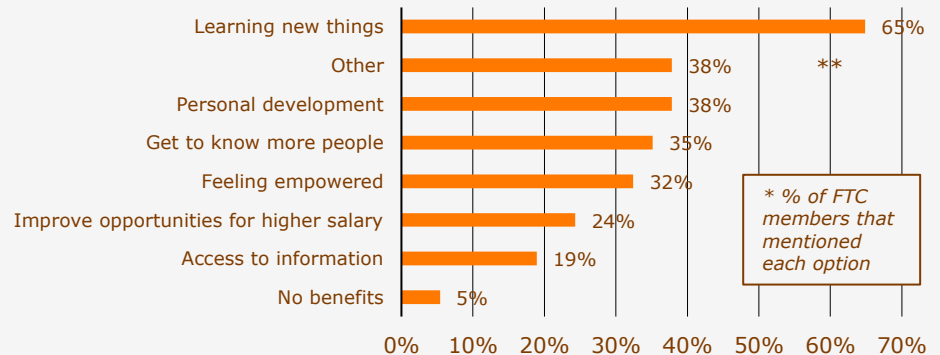
If you are packing tomatoes you don't learn a lot, and I want to learn new things. It helps you to grow as a person... - FTC

By rotating (the FTC) more people can have the opportunity to grow and develop. - CH implementer

From every committee there have been people that have become supervisors. - CH implementer



In your opinion, what are the benefits of being part of the FT Committee? (n=37)



** Other: supporting the people/community, care for the environment, represent the workers/producers, have a voice, make decisions

EFFECTIVE & ACCURATE

Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA



The degree of NA capabilities varies amongst the CH and FTC; a toolkit helps to fill potential gaps





The CH might not have the skills to conduct a NA and to 'develop the community'

The CH is accountable for the completion of the NA, so that a Fair Trade Premium plan can be developed by the FTC, based on the NA outcome. This requires social skills and experience with community development, which the responsible CH implementer might not have.

Most of the interviewed CH implementers have a background in health & safety and/or were agricultural technicians. A few had a background in social work and/or experience with community development – there was a notable difference in attitude and perspectives between the two groups. Providing those with more technical backgrounds with sufficient guidance and support, so that they can in turn develop the FTC well, is a key starting point for a successful NA.

The profile of the responsible people is different. Not all have the social aspect of taking care of people. - FTUSA

For the responsible person the toolkit helps, sometimes their profile ... this is about socio-economics – they are not experts, it's outside of their domain, they are experts in other areas, this is not about e.g. quality of water. So tools for the NA are very helpful. - FTUSA

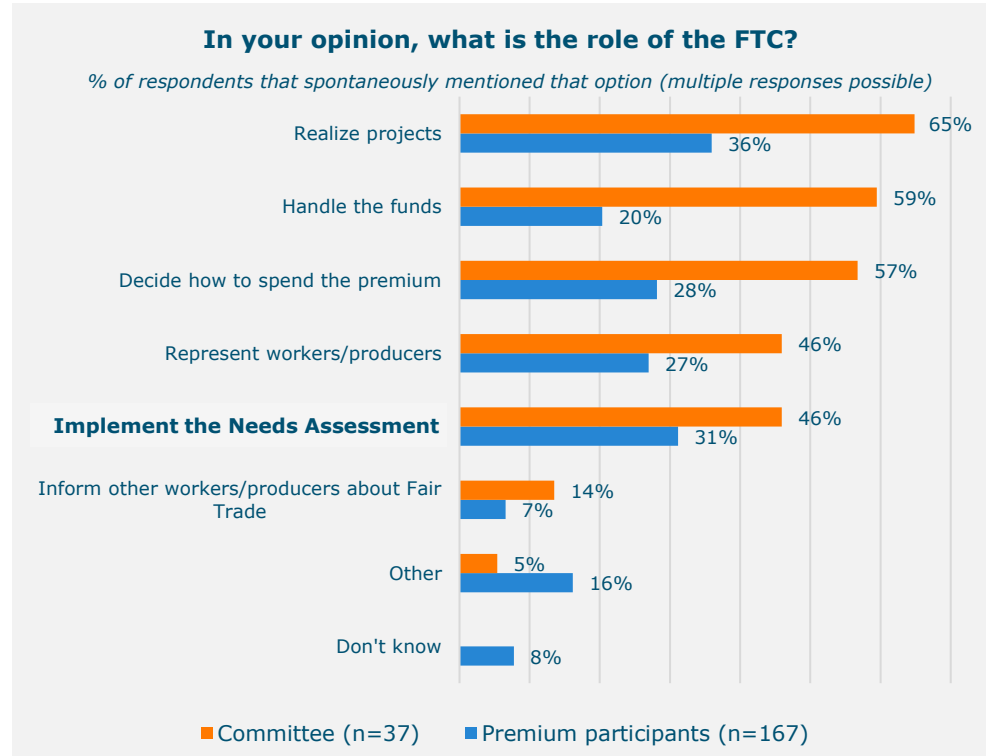
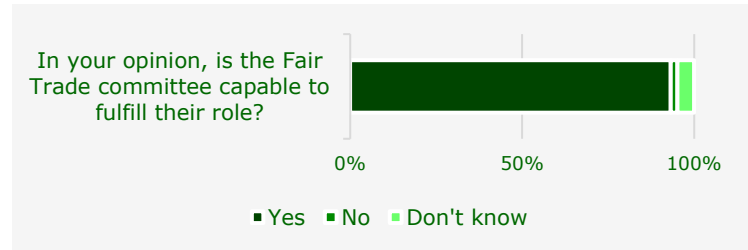
I am an agronomy engineer and responsible for food quality & social responsibility. – CH implementer



The FTC does not see the NA as a priority role for themselves

The FTC sees the responsibility of realizing projects as their key role, which is in line with the Standard. Conducting a NA was mentioned less frequently, perhaps reflecting the fact that the Standard only recommends active involvement by the FTC from Year 6 onwards, while most of the surveyed FTC respondents have been in that role for less than 4 years.

Nearly all respondents agree that the FTC is capable of fulfilling what they perceived to be the role(s) of the FTC (only 2% disagree).





Having access to a NA toolkit is indeed an improvement over having none at all

Respondents who had completed a NA before the pilot felt they had to start from scratch due to lack of tools. Having the NA toolkit and process was considered very helpful, both by the CH and the FTC.

92%* of the FTC members felt the new tools helped them to realize a good NA.

*Based on the question: "Did the new tools help you to realize a good NA?"

This time we had tablets and help from Fair Trade; this was the most easy NA so far. – CH implementer

Big change with the tools, before we had to start from zero, now we have something, much easier and efficient – CH implementer

I liked the survey bank most, it gives companies a North Star. They don't know how to do it or what to ask, they don't have time or resources so having a list of questions was great. - FTUSA

The Question Bank became the Survey





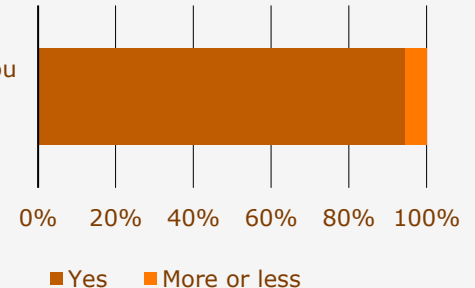
The Question Bank was used as *the* questionnaire

The Question Bank provided during the pilot contained 100+ questions and was intended as inspiration for the FTCs in developing the NA survey for their site. The Question Bank was very well received: during the interviews almost all committee members indicated the Bank was useful and elaborate.

After reviewing the final NA surveys used at each site, it became apparent that the large majority of the survey questions were copied directly from the Question Bank or only adapted slightly to better fit the respective contexts. Very few questions were added that were not already part of the Question Bank. One site used the opportunity to ask for participants' satisfaction of current projects and another site added elaborate questions on the quality and accessibility of water in the area, as well as on a solidarity fund.

I thought that the tool would be a basic list of questions that the FTC could then adapt and adjust. It would be great if the FTC could also make adjustment. A base survey that the committees can adjust. They might do it now too, but since the survey is "done" already the responsible people [at the CH] just want to take it and run with it. – FTUSA

Did the Question Bank help you to conduct a good needs assessment survey?





Since the Question Bank was used as the survey it was perceived to be too long, and some questions repetitive

The average length of the NA surveys used by the sites in the pilot is **85 questions**, with the longest survey being 97 questions long and the shortest 66 questions. This was more than the recommended 50 questions by the Question Bank itself. This implies that the intention of the Question Bank to be a starting point for further design of the actual Survey might not have been underlined enough, and/or there might have been a lack of confidence to deviate (too much).

*The survey was long, over 100 questions...
- CH implementer*

*It would be good if we could make the survey shorter,
but without losing the breadth.
- CH implementer*

*It was a very complete survey, but because of its
global remit, there were questions that were out of
scope, and some new questions were added. - FTUSA*

*There were a lot of questions, we shouldn't do so many, focus a
bit more. - FTC*

*Some questions were very repetitive and the number of
questions was quite intense. - FTC*

*We didn't really remove anything from the survey - it was
already planned for us. - FTC*

*Maybe how to message around it, tell them they can 'destroy' it
- and that the tool makes it possible - the tool itself is very
complete - but it's the message around it. - FTUSA*



The breadth of the survey creates a risk of raising false expectations amongst respondents

There appears to be an implicit desire for the survey to be as broad as possible, likely driven by the sense of duty to ensure that every need is identified. However, this brings a potential risk of creating false expectations amongst respondents. The costs of resolving the identified needs might be too high and/or the problems too complex for the FTC to solve with the available Premium. The scope of the survey should be in balance with the available resources, and all respondents should be informed about the (realistic) objectives of the survey. A broad survey also generates a lot of data, which might make the analysis phase harder.

*We see many needs, but there is not enough funding.
- CH field staff*

During one of the meetings, it was decided that we were not going to stop with water till every farmer had access. Should we open the survey so wide, since we knew we were continuing with the water projects for now? We did learn things for the long-term. - FTC

The surveys shouldn't be so long – there are problems that are from the state, from the government – these will not be solved by us or the premium. We should only have 5-6 questions. - FTC

Inclusion of Participants' daily realities and challenges in the survey appears to be sub-optimal





The standard prescribes the NA to include certain themes, and recommends topics

Required themes:

- Access to education & childcare
- Food security
- Health services
- Housing
- Health & sanitation
- Small producers: environmental health, productivity, quality

Recommended optional themes:

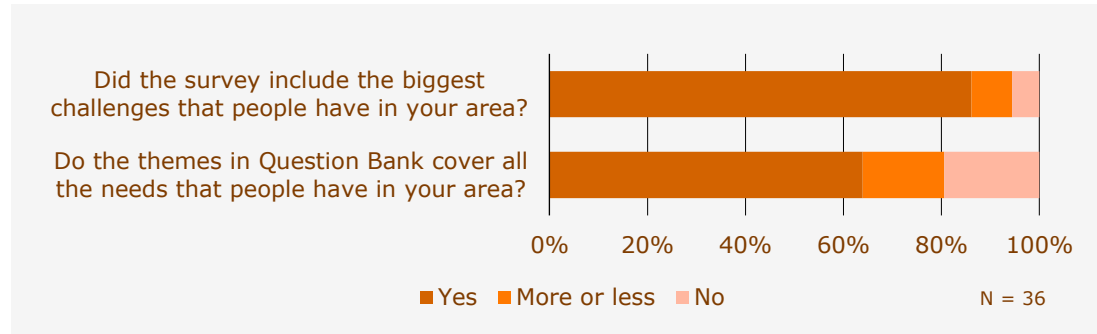
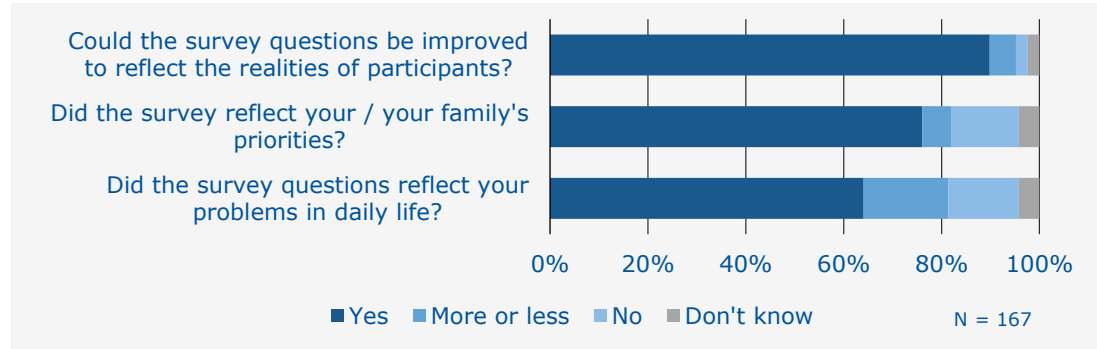
- Community infrastructure
- Community services
- Transportation
- Gender equity
- Provision of trainings
- Access to language training
- Certification costs
- Cooperative business needs



The representation of Participants' daily challenges in the survey is not optimal

While **64%** of surveyed Participants felt that the survey reflected their problems in daily life, nearly **90%** of the Participants felt the survey questions could be *improved* to reflect their realities.

Nearly **38%** of the FTC members felt that the Question Bank didn't cover *all needs* of their constituents, while **86%** did feel that the biggest challenges were included in the survey.





The required themes are likely too prescriptive and not contextualised enough

Over **60+%** of FTC members indicated that they would like to have **more freedom** in choosing themes for the NA survey. This points to a sense of being restricted; either by the required themes and/or not feeling they could really deviate from the provided Question Bank.

FTUSA staff members also felt that the contextual knowledge of the FTC and the workers is underutilized in defining the survey content.

Could the survey have an option for extra ideas? The producer might have other needs that are not in the survey. Maybe give an option for a new idea at the end. – CH field staff

We could add an open space to the survey for a different idea, but then we have the challenge that a lot of people have to make the same proposal on the survey. – FTC

Do you think the FTC should have more freedom to decide which themes are included in the survey?

0% 20% 40% 60% 80% 100%

■ Yes ■ More or less ■ No ■ Don't know

N = 36

We could talk more with the FTC, they have already lots of ideas, but we have to stay within the 5 themes. – FTUSA

Enabling contextualization of the survey themes and questions might improve results. – FTUSA

We should interview the workers to identify themes first and then afterwards make questions for the NA [survey]. – FTUSA



Different challenges emerged during the qualitative research that were not covered by the surveys

Several topics and challenges emerged spontaneously during the qualitative interviews, which were not part of the Question Bank or the surveys, such as:

- Drug trafficking
- Alcoholism/domestic violence
- Mining
- Security/safety
- Cost & Importance of Funerals
- Entertainment/sports
- Urban Youth Migration

There is illegal gold mining, which causes a deficit in labour and costs are going up. - FTC

*We are near the border, and there are so many issues with drugs. We have a zero-tolerance policy and need to have security at the site. There have been threats.
- CH implementer*

One of our first projects was a soccer field. Initially the owner wasn't so excited about the idea, but we have noticed that violence has gone down. The young men have something to do after work now. - CH implementer

Funerals are important to the people here, but expensive. When there is a death we facilitate donations, and then match the amount raised. - CH implementer

Effort was put into ensuring the Needs Assessment survey language would resonate with its respondents





Wording and language used in the survey was adapted to meet the context of the respondents

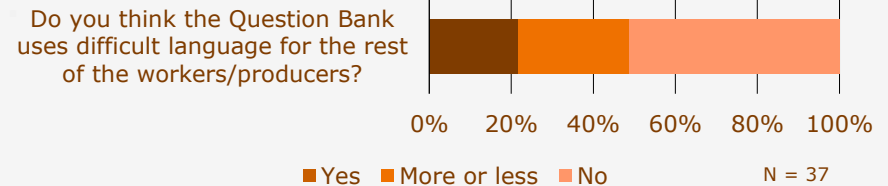
About **50% of FTC members** and CH staff thought that difficulty of the language used in the Question Bank was just fine, while the other **50% of FTC members** found the language used (more or less) too difficult.

During the qualitative research, CH staff and FTC members working with coffee smallholders in Colombia underlined the need for 'friendly' language to ensure that questions are understood well, and to instill confidence among respondents. There was a concern that using wording that is too technical might alienate or confuse them. They also shared examples of local gaps, such as names of certain foods.

They appeared to have made a significant effort in adjusting the language of the survey, both before implementation, and during data collection.

The pilot questionnaire had questions that didn't apply to us or weren't understandable. So, we updated/changed some of the wording. – CH implementer

We had to translate the survey into the language of the farmers to make ourselves understood. If we would have read the questions literally, they would not have been understood, as they were too technical. – CH field staff



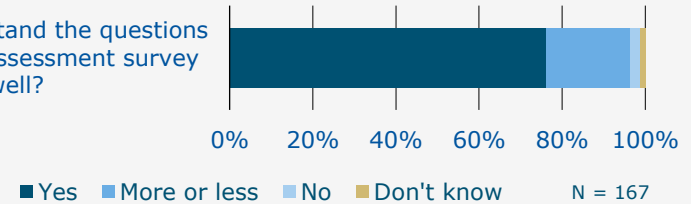


The majority of premium Participants understood the questions well, while 20% still did not

Likely due to the efforts made in making the survey 'friendly', nearly **80%** of premium participants indicated they understood the questions in the Survey well. However, despite these efforts, **more than 20%** of responding participants indicated they did **not** (fully) understand the questions. This outcome underlines the need for the use of appropriate language to ensure that the data collected is as accurate as possible.

We have to make sure that the language we use is clear. Some have not completed school.
– CH field staff

Did you understand the questions of the needs assessment survey well?



We have political issues here; promises are not being met. And technical language is similar to that used by politicians – the population is very vulnerable about this. – FTC

The surveyors were trained on how to do the interviews in a 'good', culturally sensitive language. – FTC

We didn't change the definitions but used other words that were more common in here. – FTC

Who administers the survey and how, matters





Trust in the person who collects the data might influence the accuracy of responses

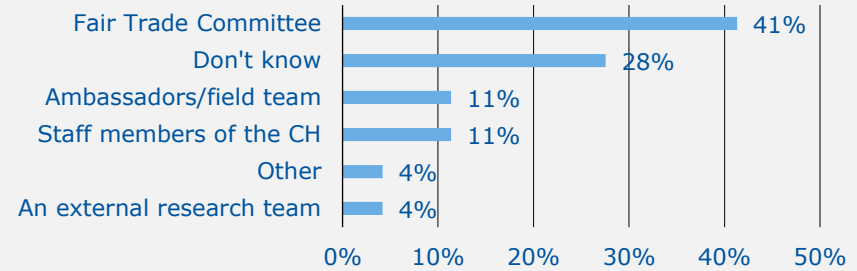
Even though the survey was powered by a digital tool, the data was still collected and entered into the tool in-person, not by simply sharing the survey link.

Between the two different settings, there was a difference in approach as to who administered the survey. Among the coffee smallholders it was primarily the field staff of the CH, while in Mexico it was a combination of CH staff and/or FTC.

Interestingly, quite a few respondents did not remember or know who administered the NA survey. Neither the Standard nor the NA toolkit seem to prescribe who should administer the surveys, or what the characteristics of the data collectors should be.

Trust and confidence in the surveyor appear to be important factors. On the one hand, the FTC might be 'too close' to administer the survey because they are peers of the Participants. On the other hand, hearing the information firsthand might enable them to better represent the participants.

Do you know who administered the needs assessment survey? (n=167)



We are in the same 'environment' as them, so there is less confidence with us. – FTC

The data collection was done by the cooperative staff so that it was 'private', they trust the cooperative to keep the information confidential. The cooperative has credibility, so the producer will be more open. And we would have had to travel far. – FTC



Building rapport with respondents during data collection is important

Apart from being sensitive about the person who is collecting the data and the institution they represent, it is also important for the surveyor to build good rapport with the respondent. Solicitation of trustworthy data relies on a respondent being open and truthful, which is more likely if they feel comfortable during the interview. Therefore, it is also important to be mindful of the tone of voice used, the speed of questioning and the time needed to make a personal connection.

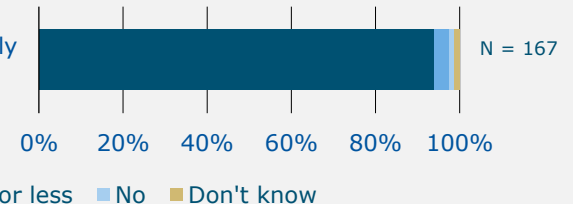
It appears that the different choices made by the sites did result in a high sense of freedom to express oneself during the pilot. This sensitive and intentional approach is something to keep in mind and encourage going forward.

Not all the producers can express themselves well; some people don't like talking to strangers; confidence may be lacking. – FTC member

We had to draw the answers out in between the chitchat; if we had just read the questions, they would not have been comfortable. – CH field staff

There are farmers who won't always tell you everything. – CH field staff

Could you express yourself freely during the survey?



Data from an old NA might be out of date and inaccurate



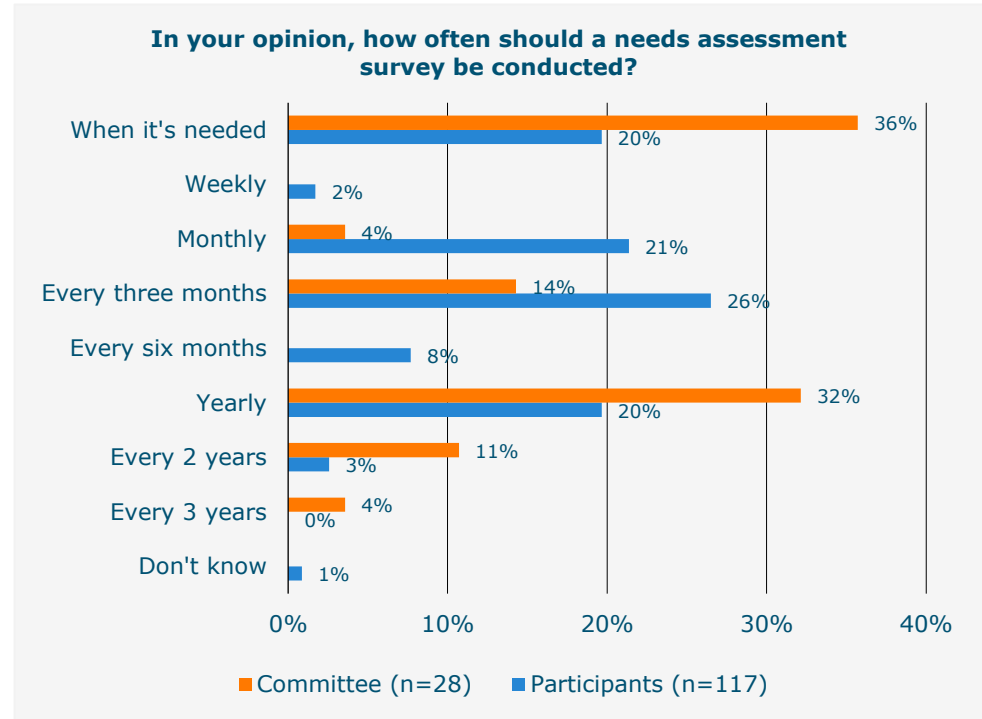


Requiring a NA only once every 3 years is insufficient

Contexts and needs change over time. Availability of local services might improve, disaster could strike and/or other unforeseen events might influence needs. Crop seasonality or other cyclical influences could also lead to different perspectives at the time of the survey.

Indeed, a majority of Participants indicate that they would prefer the NA to take place at least yearly, or even more frequently—i.e., every 1-3 months. The majority of FTC members prefer a NA when 'it's needed' (36%), or yearly (32%). The current standard of practice (3 years) was chosen the least, by both groups.

The survey is only a snapshot in time; a month later things can be totally different.
– CH implementer



* Every 6 months was a spontaneous answer given under 'other'. In total, 9 Participants gave this answer option. The aggregated version of this graph can be found in [Annex 4](#).



If needs do change after the NA, having to wait 3 years was seen as restricting the possibility to adapt spending

*Every year we have new issues, last year it was the pandemic, now [...] Maybe the NA shouldn't be every 3 years, **so we are not so restricted** in case another (urgent) need comes up. - FT implementer*

*We did the survey last year, but **this year we are seeing other needs** having to do the with the production. If we would do a new survey now everyone would ask for fertilizer; it's a big problem now. - FTC*

***Reality changes everyday.** - FTC member*

*This fertilizer issue **could become a primary need that is urgent** - how to change and add as an outcome to the General Assembly? - FTC member*

That's the question that I always asked, about the timing, what if we have a new survey but are still not finished with the implementation of the first project? If in 2024 we finish with the water - but we already have a survey for 3 years...? - FTC member

*The surveys should **not prolong the time** ... This is always my point that I dispute. We already know that the roads are an issue, but when are we going to start with that? And finish what we are doing? - FTC member*

*The fundamental basis should be to **focus on the themes that are topical** during the time of the survey. - FTC member*

Existing knowledge of needs among value chain actors
is currently underutilized





The NA relies solely on Participants' input while other actors have relevant knowledge too

There is significant knowledge of the context, local challenges and Participants' needs among FTUSA consultants, the CH staff and/or FTC members. However, this knowledge is currently not explicitly integrated in the NA approach. It relies solely on (research) methods targeting Participants (i.e., the survey), which might render the assessment design and its outcomes less effective.

While FTUSA consultants currently have a role to support the CH with their implementation of the process and tools, through that interaction they also learn a lot about the local contexts. Not leveraging their regional helicopter views is likely a missed opportunity. The same applies for the local perspectives of the CH and FTC.

Maybe the method is less important as long as they identified the need well. You never know from where a need might surge or identify itself. - FTUSA

When you do something for your own region, you know already which direction to take - FTUSA

We are coffee growers ourselves ... we know what they need ... you come with so many questions ... so long ... issues that we can't resolve ... we already know what the needs are. - FTC



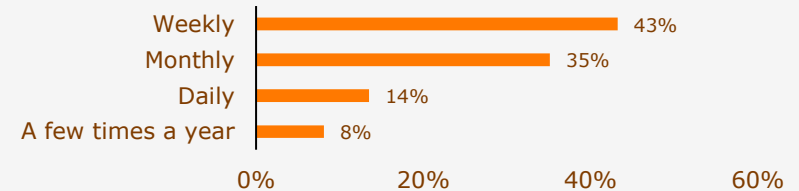
The FTC has frequent (informal) interactions with their constituents

Participants and their Committees seem to indeed have regular interactions with each other (beyond formal meetings). This appears to happen mostly at the CH's office, but it can also take place through WhatsApp or social media (see next slide). These informal instances of communication might serve as natural touchpoints for the identification of new or emerging needs, which could be validated through a survey or other formal NA method.

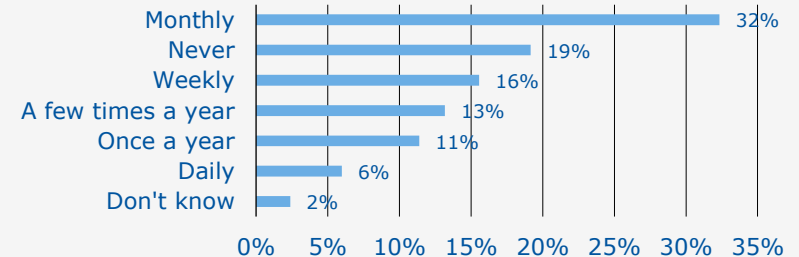
Once we start to look and listen, we start to identify more needs. – FTC

We get calls – we also see people that go to the weekly market, or even in the street, on Saturdays when everyone is out; we are very well known among the Participants. – FTC

How often do other workers/producers talk to you about their problems due to your role as Fair Trade committee member? (n=37)



How often do you speak to committee members outside of formal meetings? (n=167)





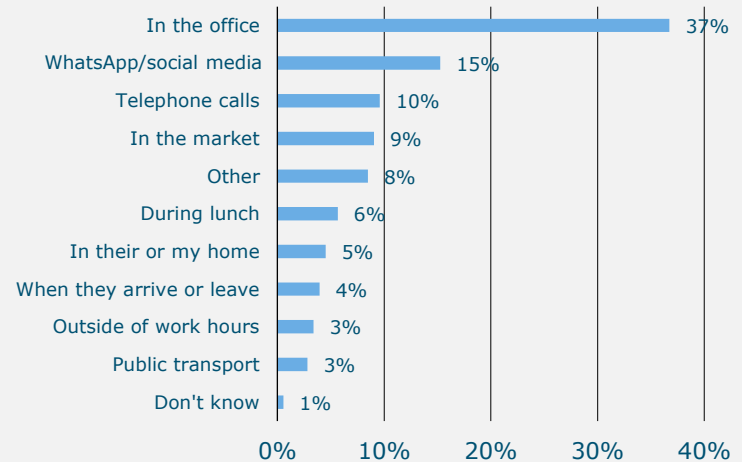
Communication through digital connectivity appears to be on the rise, but not for everyone

Communication through mobile and/or digital channels seems to be emerging. WhatsApp groups were mentioned several times, for example between coffee field staff and farmers in their respective districts, or between teams at farm sites. However, not everyone has (consistent) access.

We (also) communicate through whatsapp which projects there are for them to benefit from. - FTC

We have WhatsApp groups where people can share, and we are on Facebook and YouTube. If the producer is connected, then there are many channels for them to make their needs known. But connectivity is not the same everywhere, so we also have weekly reunions in sites located far away. - CH implementer

How do you communicate with committee members? (n=177)





Certain CH staff / functions have direct contact with Participants and are entrusted with their challenges

Certain CH staff, such as the field agents that serve the coffee smallholders and human resources/supervisory staff at participating Farms, seem to have underutilized knowledge of Participants' needs. They are in frequent contact with Participants and appear to be staff that are trusted by a noteworthy portion of them. However, their role is not recognized by the Standard and their latent knowledge is therefore not (consistently) mined for the NA. Including their voice in the process seems like an opportunity to improve its effectiveness.

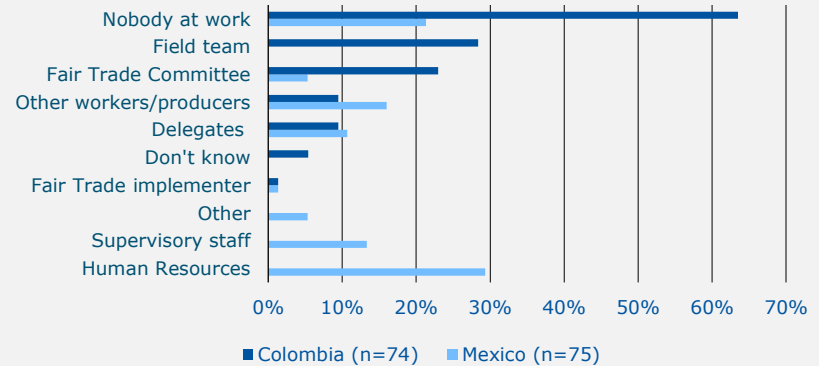
Sometimes they tell us about their future aspirations; from that we learn a lot about their needs. – CH field staff

The field staff are our first filter, they go and sit in kitchens for half a day, know their realities. – CH implementer

The field staff has good relations with the producers, they find out whats happening on the ground. – CH implementer

My colleagues from Human Resources attend to the more personal things that the workers face. – CH implementer

Who would you talk to if you had problems in your daily life?





The outcome of the NA did not always appear to lead to new information for the CH or FTC

Due to their proximity to the Participants and their daily challenges, the outcome of the NA process did not seem to always uncover new needs for the CH or FTC. Instead, the survey outcome often validated what they already thought the needs were. This raises the question whether a broad NA is (always) needed, or if it might be more efficient for the CH and/or FTC to develop more focused need hypotheses, based on their knowledge, to test and validate through the NA.

We had already seen many of the things that emerged from the survey. – CH field staff

People know what their challenges are, maybe the NA doesn't need to be so big and it's more our desire to have confidence in the tools. - FTUSA

It would be good not to repeat questions: some we already know the answers to. For us it would be good to get information that we don't have. – CH implementer

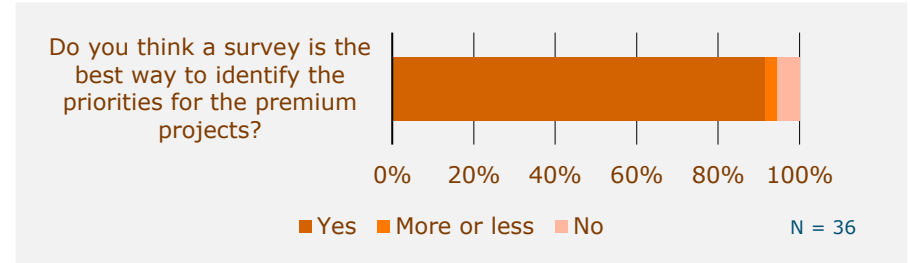
We should choose 5 concrete themes and have 2 questions per theme. – FTC



A need can emerge anywhere, but the notion of a NA survey being the best option is engrained

Inspiration for the identification of needs can arise anywhere: during a chitchat between an FTC member and a Participant, through a newsworthy event or simply by observing the surroundings. While a survey helps to prioritize and validate, it is not the only way to uncover and identify needs. For example, some CHs have multiple (not FT) projects running that came to life because of frequent requests about the same need.

When asked, the FTC mentioned several other ideas to engage their constituents. Some of these, such as community mapping, are elaborated on in the literature review.



Maybe the method is less important as long as they identified the need well. You never know from where a need might surge or identify itself. – FTUSA

One of our projects is to support funerals. People came to us for help; it was an obvious need. – CH implementer



The CH is likely to have (some) demographic data through its management system

Certificate holders are likely to have at least some demographic data in their records. Therefore, it might be unnecessary to collect all desired demographic information through the survey, except to check for diverse representation. This might reduce the length of the survey.

More importantly, analyzing the existing demographic data to understand the Participant profile might also provide input to the direction of the NA content. For example, if many Participants appear to have young children, then questions related to primary education and childcare could be (more) relevant, or if the population is mostly female, then perhaps questions around women's health should be added.

I have a basic system to process the payroll. Full name, gender, address, but family is not included.
- CH HR

We know the profile of our workers. Our HR department collects information on their age, gender, family, etc.
- CH implementer

We already have a lot of (demographic) information about the farmers, especially those that we know for long. If there are new farmers, we could collect that beforehand.
- CH field staff

We know about the producers' families through our register. On average there are 3,5 members in each family.
- CH implementer

Going digital helped to consolidate and analyze needs





Going digital was a big improvement (for the CH)

The pilot facilitated the use of a digital research tool, the KoBo Toolbox*, to administer the NA questionnaire. In Colombia, the field staff downloaded the tool onto tablets provided by the CH and went to the smallholders' homes, or they were interviewed at the CH office. In Mexico, the farmworkers were interviewed at their place of work, with the FTC or CH staff entering the respondent's data on CH laptops or tablets.

While the FTC appear to have also appreciated the new digital survey, the added value was likely most felt by the CH implementer, and observed by FTUSA staff. Those CHs that had previously implemented a paper survey were extra appreciative of the ease of a digital approach as it was no longer required to transfer written data onto a computer.

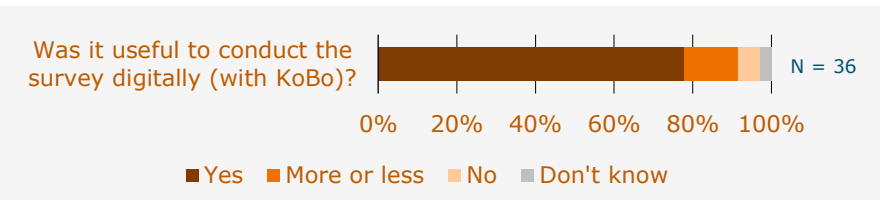
The company likes the KoBo tool so much that they plan to use it for all their other surveys. – FTUSA

We built a capacity – Kobo was a great tool – now they are using it for other functions – preparing for the harvest with that too. – FTUSA

This is improving the process, before it was written, the use of tablets this time was more practical. – CH implementer

I tried a paper survey before but it took a lot of time to transfer the data to the computer. There were lots of pages. – CH implementer

KoBo was excellent. – CH implementer



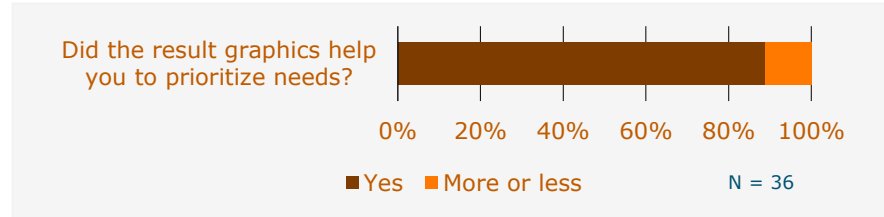
*See kobotoolbox.org



Using KoBo helped to visualize the outcomes of the survey, which supports prioritization of needs

Prioritizing the outcomes of a NA survey was identified as a challenging step during the Situational Analysis. Thanks to having a digital survey, it was now possible to have the data represented visually. The graphics appear to facilitate the analysis of the NA survey outcome and prioritize needs, instead of just looking at unorganized data.

However, it seems that the Excel charts were made by the FTUSA team, and the question arises whether a FTC would be able to do this on their own. The formulation of the questions still needs to be considered when interpreting the data, especially if data are visualised. For example, whether the original question was formulated positively or negatively will lead to a different reading of the same type of chart (as is also exemplified by this presentation).



It was very interesting to see the graphics come out of KoBo. That was very useful for the coordinators to do the analysis. – CH field staff

Strength is lacking with the FTC for the analysis of the needs. Yes, they are leaders, but read little – this is a piece that still needs support. – FTUSA

We received a few pie graphs from FT with data. But we used the screens from KoBo – the visual bars and then discussed. – FTUSA

Prioritizing needs and defining projects is not easy



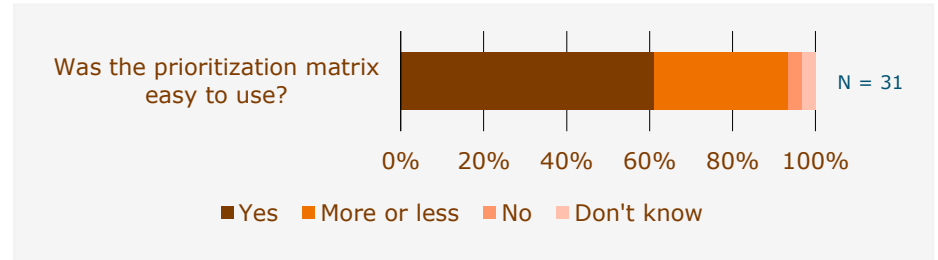


There was mixed experience with the 5-step prioritization matrix

A 5-step process and prioritization matrix was introduced as a tool to prioritize needs and define subsequent actions to address the prioritized needs. However, the experience with this tool was mixed.

While it helped to facilitate discussions and place the NA findings in context, the activities were challenging, and it took a long time to complete. The different numerical scoring/ranking activities were especially confusing. A suggestion was made whether the scale could be replaced by smiley faces (sad, happy, etc.). The causes and effects analysis was also difficult.

A practical challenge that was raised was the fact that the tool was formatted in PDF, which made it difficult to fill-in (presumably without Adobe). People worked around this by pasting into a Word doc.



The table of prioritization helped us a lot, but the effects step was complicated. – CH implementer

The FTC couldn't manage to do the scoring activity on their own, it was guided by us. – CH implementer

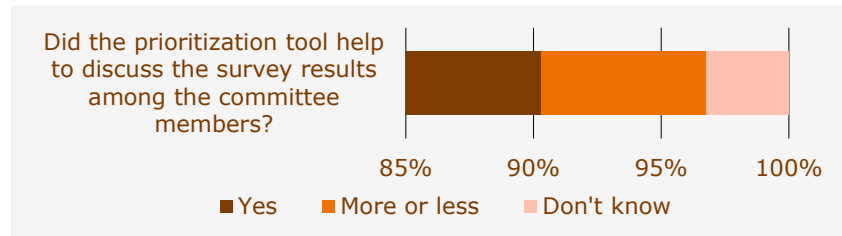
There are 5 steps, and the scales also use 1-5. Then there are different ranking activities; the scales use the same numbers but they have different meanings. The FTC got confused and wondered if they were adding the right thing? - FTUSA



The prioritization process facilitated a multi-stakeholder dialogue

The implementation of the tool by the FTC was heavily supported by FTUSA and the CH implementers. It is unlikely that the FTC would be able to apply this complex tool by themselves, and the question is whether that should even be the ambition of the NA approach.

The joint discussions and contextualization, in partnership with the different actors, were perceived to be of most added value. The various actors all have complementary perspectives and knowledge to bring to the table. Therefore, having a multi-stakeholder discussion and brainstorm is likely more beneficial to the NA process.



The needs prioritization tool was the most complex. It took us 1 month and 4 reunions with the committee. You have to think, compare, evaluate, it is complex, it needs patience. - FTUSA

We used the tool of the 5 steps, it helped with more in-depth analysis... But we had quite some challenges. Confused by causes and effects... but the analysis of the causes was very interesting. - FTUSA

Reduce to step 1, 4 and 5. Maybe change some of the vocabulary. I did like having the option of writing down. How to reach consensus within the analysis – that was a little complicated. - FTUSA

We had to fill in the matrix with points and then figure out the total. But there is an issue – among the 4 variables there was a discussion about which one is most important – e.g., the % of the populations. - FTUSA

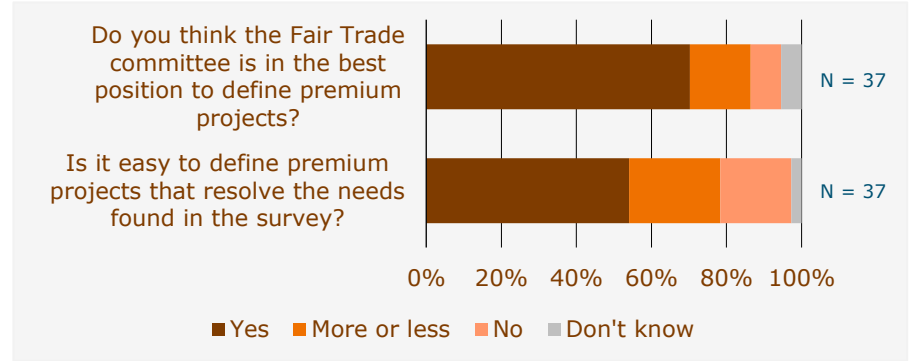


Making the FTC solely responsible for the projects is likely overstretching their capability (if not guided well)

The Standard foresees that the FTC is (eventually) responsible for developing the Premium Plan. It also stipulates that the CH should commit to not interfering with independent decision-making by the FTC. However, the majority of the FTC respondents (70%) do not think they can develop good projects without the help of the CH implementer (see page 30).

They do think that they are in the best position to do it, as they have also been trained that this is their role, but only half think it is easy to do. Building on the experience with the matrix tool, it is likely that a collaboration between the FTC, CH and FTUSA would lead to the best results, by combining more technical knowledge with that of the Participants' contexts.

The list was made together – with our reality of the area and their technical part; the CH implementers have been formed professionally... - FTC



Putting the committee in a position to think for the whole community is challenging; they have to think about short-term vs long-term. - FTUSA

The committee needs more help to develop proposals. The challenge is to come up with ideas, it's important for us to think more here. - FTUSA

INCLUSION & SATISFACTION



Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA



Mixed messaging might create false expectations about who the Premium is and/or should be benefiting



☺☹☹ The Premium is marketed as a Community Development Fund, creating expectations among stakeholders

The additional sum of money that is paid for Fair Trade Certified products is marketed as 'Community Development Funds' (CDF). This creates the (internal and external) expectation that the Premium will be invested in development projects that address community needs.

However, the Standard talks about addressing the needs of Premium Participants, their family *and* their community (in that order). This creates a mismatch, as needs are likely to be different at individual vs community level. For a sense of inclusion and satisfaction, it is advisable for FTUSA to provide clarity on the intended beneficiaries of the Premium.



What Are Community Development Funds?

As products are sold as Fair Trade Certified™, companies pay an additional sum of money that is returned back to the certifying entity, called Community Development Funds. These funds allow farmers and workers to invest in development projects that address their community's greatest needs, such as water, education, housing, and healthcare. Those needs are identified via a thorough [needs assessment process](#).

Community Development Funds are more than just supplemental spending money – they help communities address real challenges in their daily lives.

☺☹☹ There is a biased assumption that (community) projects are better than providing individual benefits

There is a belief within Fair Trade USA and among (some) Certificate Holders that community projects will create more (lasting) impact than providing individual benefits. There is an ambition for the Premium to be spent 'well', and a fear that providing extra cash or other individual benefits might be 'misused'.

Good projects are supposedly those that are sustainable and fill a gap in services that can not be solved individually, but require a collective investment (i.e. community projects). This premise assumes that needs will (always) be collective.

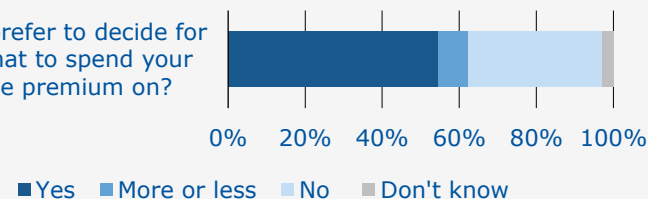
The bias in favour of community projects might also be perpetuated by the Standard limiting the pay-out of Premium in cash or in-kind goods up to a maximum of 50% of the Premium. However, **more than 50%** of the surveyed respondents **would prefer to decide for themselves** what to spend their share of Premium on.

The Fair Trade idea of 'projects' was appealing to the owner, simply giving workers 100 pesos is not going to change their lives. - CH implementer

The water project has great social impact, because we reach everyone in the community, not just the producers. - CH implementer

Fertilizer is a big need now because it is much more expensive. But this is an individual issue ... the brand wants social change ... They claim that giving fertilizer would have limited impact. But I disagree, if we increase production, there is more need for us to hire labour. - FTC

Would you prefer to decide for yourself what to spend your part of the premium on?



☺☹☹ Participants are told that the Premium will primarily benefit them and their families, and that is what they expect

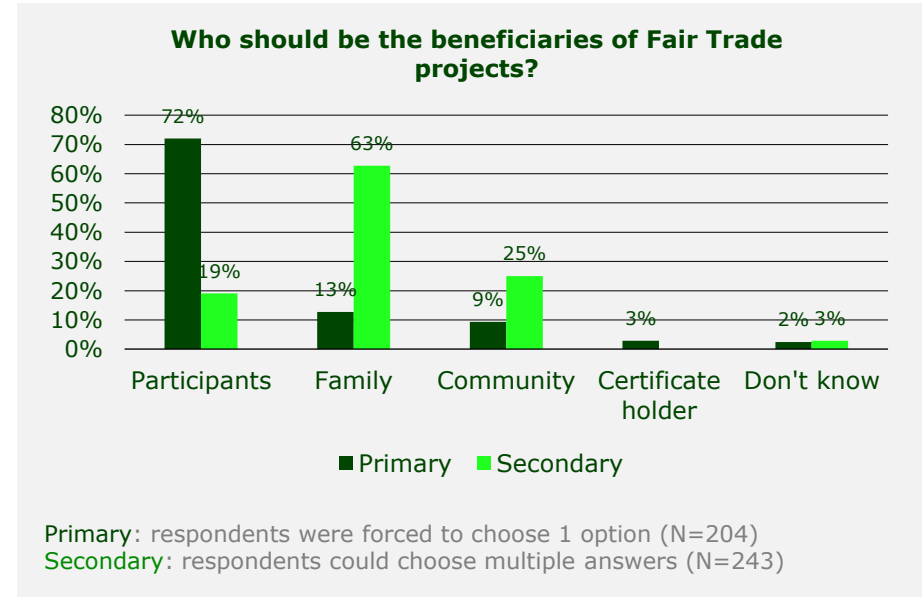
In the training manual that is used to explain the Standard to (new) Participants, relevant key words used to explain the Premium are:

- An *extra payment* on top of the product price
- Meant to *benefit the worker/ producer* of the CH
- Collectively the producers/workers decide how to [...] satisfy *your* needs and that of *your* community
- Through the Premium Plan [...] implement projects to improve *your* quality of life and that of *your families*.

Indeed, during the pre-pilot survey we asked Participants what they understood Fair Trade to be and about 1/3 spontaneously mentioned an 'extra income/salary' (see [Annex 3](#))

This was further validated in the post-pilot survey where the majority of Participants saw themselves as the primary beneficiary of FT projects, and subsequently their families. There was limited interest in the 'community' as a beneficiary, even as a secondary option. This was chosen most by the smallholders.

Producers want things for themselves and their families.
– CH representative



Not all Participants benefit equally from the Premium

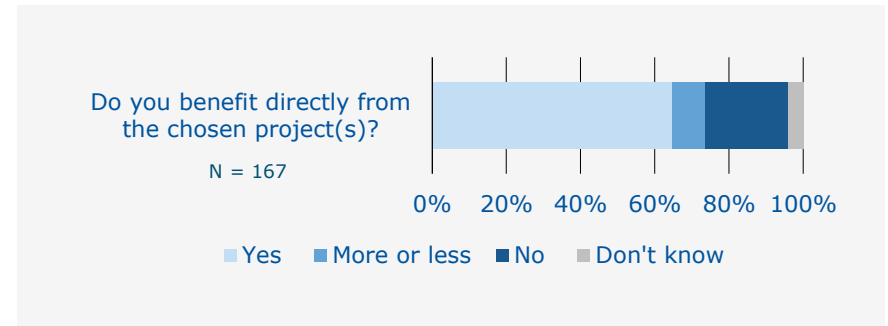
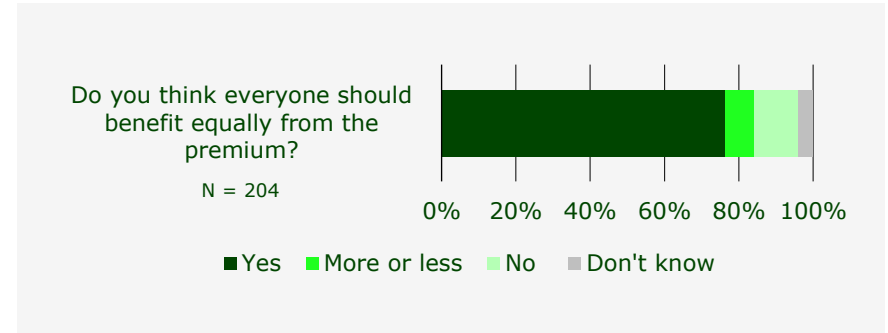


☺☹☹ The standard only requires that all Participants benefit once per 6 years

Nearly 80% of the respondents voiced a desire that everyone should benefit equally from the Premium, yet 35% of the Participants do not feel that they benefit directly from the chosen projects or aren't sure.

The Standard only requires that all Participants should benefit from the Premium at least once every 6 years. However, the amount of the Premium is calculated yearly, based on the result of that year. Therefore, there is a potential gap between the value of the benefit that a Participant receives and how that correlates to the Premium earning that they contributed to.

There appears to be little guidance on how to determine who benefits when and how to monitor and document this. If not communicated well, it might create dissatisfaction among those Participants who do not feel they are directly benefiting, and/or exclude those who leave the CH before they have benefited.



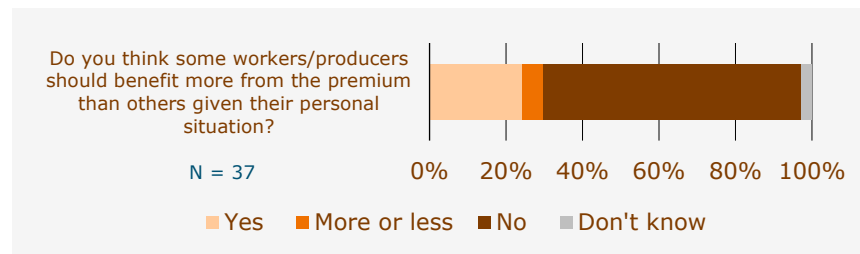
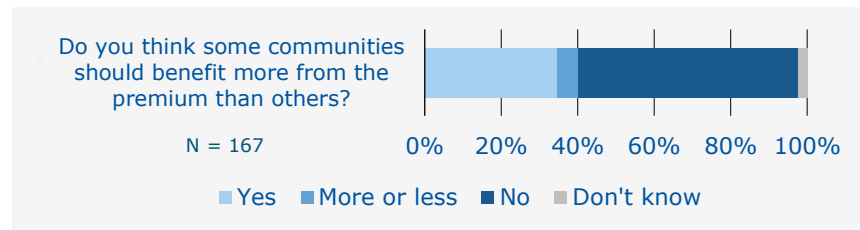
☺☹☹ CHs take different approaches to determine which Participants benefit, some criteria might be less inclusive

Sites appear to take different approaches to determine who benefits from the (annual) Premium, for example:

- For a water plant to be installed in a community, at least 30% of coffee smallholders in that community have to be supplying for the CH. This excludes coffee producers who live in a community with few other Participants, while the community with most Participants was the first one to get a plant.
- To determine the value of a 'coupon' for home improvements, it was calculated how long each qualifying employee worked at the site. They received a coupon proportional to the total duration of their tenure over time (not that year).
- In another home improvement example, eligibility for the project was determined based on perceived 'need', so that those with poor housing conditions were prioritized over others.

These examples show that certain Participants benefit more from the Premium than others. However, 43% of the Participants do not think that there should be a differentiation between

Participants, and neither does 62% of the FTC. Considering that a significant portion of the respondents felt they are directly benefiting from the project, the answers here might even be a bit skewed.



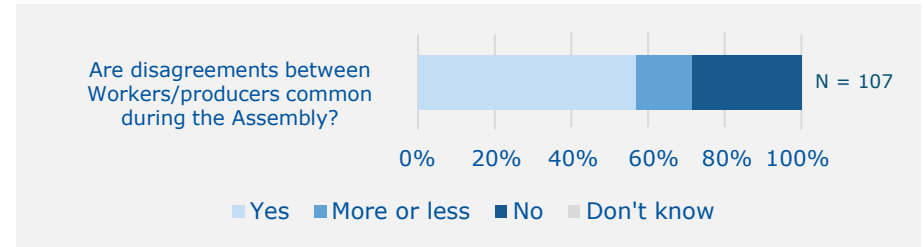
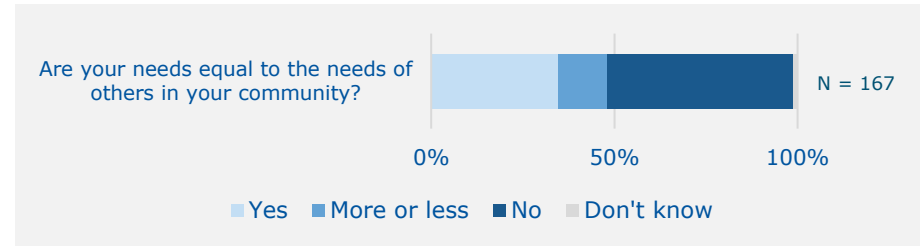
Participants' needs are diverse; one project is likely not enough



☺☹☹ Needs are likely diverse; reaching consensus is not easy

Most of the surveyed Participants feel that their needs are not equal to others in the community. Indeed, contexts and personal challenges are likely to be quite divergent between Participants, especially if one assumes that their profiles are probably heterogenous.

It is not easy to reach consensus on the selection of key needs that should be addressed by the Premium. Discussions and disagreements during the General Assembly appear to be relatively common. There were stories shared of them sometimes lasting for hours.

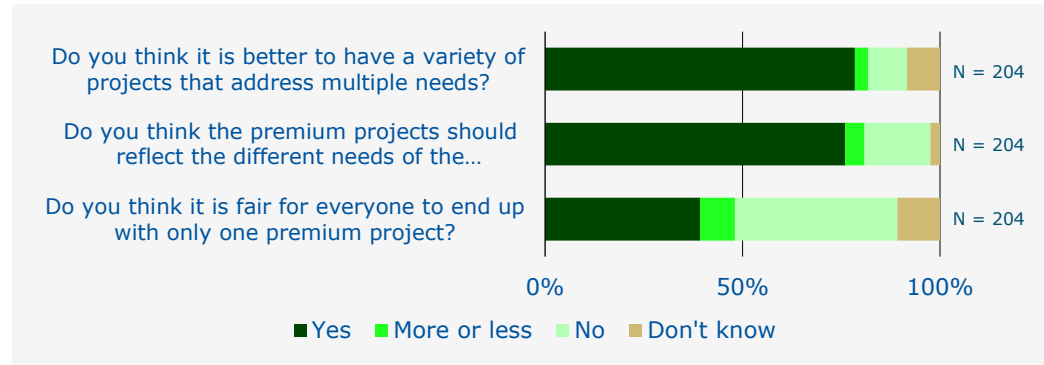


*We don't all think the same way, there are different needs for everyone. The single men wanted a soccer field. The mothers want education for their children.
- FTC*

☺☹☹ Having multiple Projects that reflect a diversity of needs is likely to improve inclusivity and satisfaction

In an attempt to mitigate discussions and disagreements among Participants, some sites strive towards reaching agreement on just one project for everyone. Whichever need is shared by most Participants is the one to be solved, ideally by one project. This is a simple and presumably easy approach to communicate, that plays into the 'voice of the majority' theory.

However, this is non-inclusive to those Participants that do not share the need that was prioritized and does not provide flexibility to pursue more projects. Indeed, less than 40% thought it was fair to end up with only one project for everyone, while nearly 80% felt it would be better to have a variety of projects that address the multiple needs of Participants.



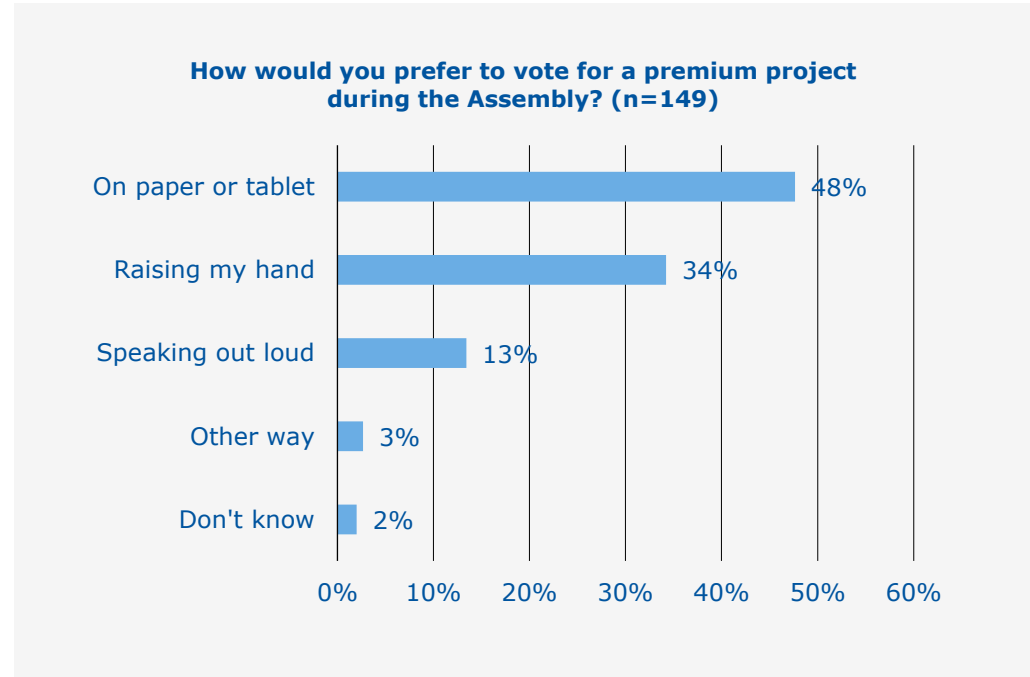
All the projects have to come out of the survey. At least 50% of the workers have to agree that it is a felt need. - FTC

We wanted to work on the roads in parallel because in our community there was support from the municipality for that, but we can't because it is not water. - FTC

We give breakfast to the children in the primary school near here. There are other schools further away that don't get that. But for those children we have the school truck project. - FTC

☺☹☹ Public voting on projects might lead to 'peer pressure', but could also facilitate open discussion

The desire to vote in public (by hand/out loud) or privately was split nearly evenly. It might be worthwhile paying due consideration to this when the FTC Constitution is discussed.



Community projects might be less inclusive than presumed



☺☹☹ Pursuing community projects has the likely consequence that not everyone will have equal access

It is likely that not all Participants live in the same community, instead representing geographic diversity:

- Smallholders live in widespread rural areas: Smallholders' homes are often close to their rural farm, and as a result, they live in widespread communities.
- Farmworkers live in different communities: Even though they are (likely) in the vicinity of the Farm, farmworkers also live in different communities, ranging from 5 minutes by foot to 45 mins by transportation.
- Migrants' home communities are far away: Farms often have (temporary) migrant populations as part of their (seasonal) workforce. When these workers go back home they won't have access to projects executed in the vicinity of the Farm.

There are producers in different places. Some communities have projects, and others don't. – FTUSA

Our producers are spread over 7 different municipalities. – CH Implementer

Our workers come from many different communities, around 30-35 minutes from here. If we count migrants, then it becomes like 100 communities. – CH Implementer

We have both migrant and local workers. They don't reach agreement with each other about the premium. The families of the migrant workers don't benefit from (local) community investments. – CH Implementer

We don't have a clear decision yet about where the health center should go; people live in several different communities ... There should be access to public transportation. – FTC

☺☹☹ Communities are likely to have different needs

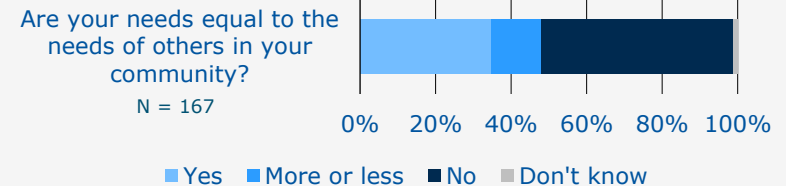
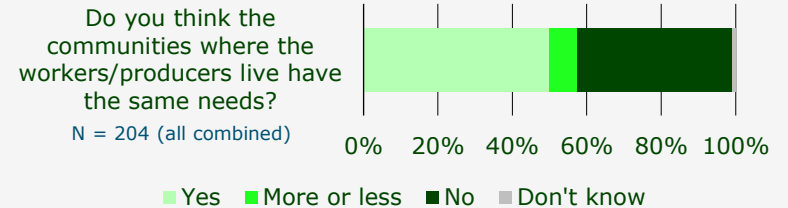
Not only the Participants, but the communities where Participants live are likely to have divergent needs too. Some will have better access to services, while other communities might be more remote. One may have a clinic, while others have a school, and so on.

Therefore, it will be difficult to ensure that all Participants, who live in different communities, will benefit equally from the same type of project that might be repeated across communities, and/or only be completed in one of the communities.

If the intention is to pursue community projects, then the NA should be highly localized, and use the community as the 'unit', not (individual) Participants. Community contexts should be inventoried, including a community mapping and engagement with community stakeholders. CH staff and the FTC will likely also have knowledge of the variety of communities.

We can't generalize the problems for all the municipios. – CH field staff

There are different needs even within water, it depends on the location of the community, so the plan has to be adjusted to each local context. – FTC



Defining projects before the actual premium is known
could lead to dissatisfaction



☺☹☹ Knowing the budget in advance could help to prevent disappointment among de FTC and Participants

The NA is often executed before the actual amount of the Premium is known. For new CHs it is especially hard to estimate the Premium amount, while for those who are more mature the actual number is still likely to fluctuate between years.

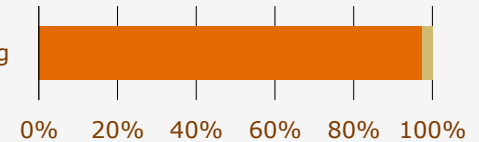
Planning the NA after the income is known would give the FTC and Participants a better idea upfront of what type of 'projects' might be realistic or not, and manage expectations of all involved. The design of the NA could be adapted accordingly.

If, for example, the Premium is very low during the first year, or it was a bad crop year, then perhaps it could also be directly decided to save that year's Premium till next, and/or distribute it as a cash benefit.

The company has estimates of the Fair Trade premium – with that budget we make the offers. But if we see that the incomes are changing throughout the year – we start reducing/postponing, especially the infrastructural expenses.
– CH

Do you think it is important to know the budget before defining premium projects?

N = 37



■ Yes ■ Don't know

4. KEY OVERALL TAKE-AWAYS

Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA



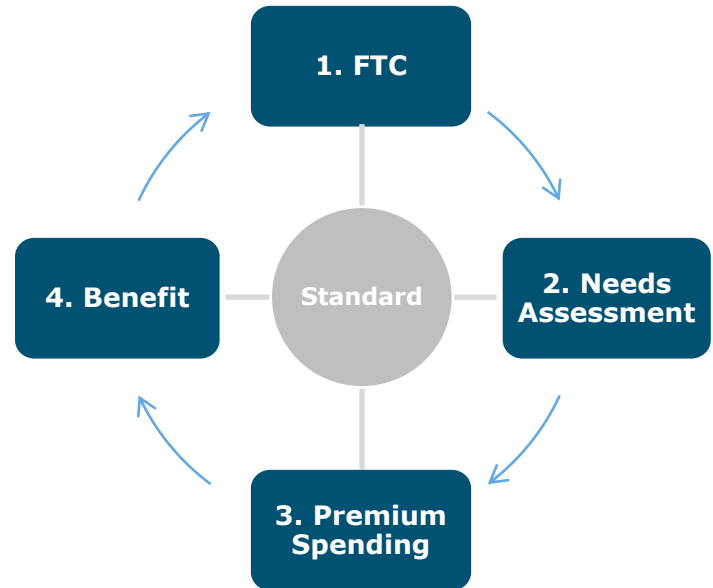
The NA is part of a bigger process that is governed by the Standard

The NA does not exist in a vacuum, rather, it is part of a bigger, continuous process with different components that are governed by the Standard. Improving the NA and the three defined outcomes will therefore require a more holistic approach that includes the review of relevant requirements in the Standard and the overall Certification cycle.

Developing a toolkit and process for the NA itself is a necessary step that fills a gap, but its full potential will not be reached without considering the interaction with the Standard. Critical intersecting points for attention are:

1. The roles, development and lifecycle of the FTC
2. The mandated themes for the NA, and its frequency
3. What the Premium might be spent on
4. How often Participants should benefit from the Premium

Intersection between the Standard and the NA journey

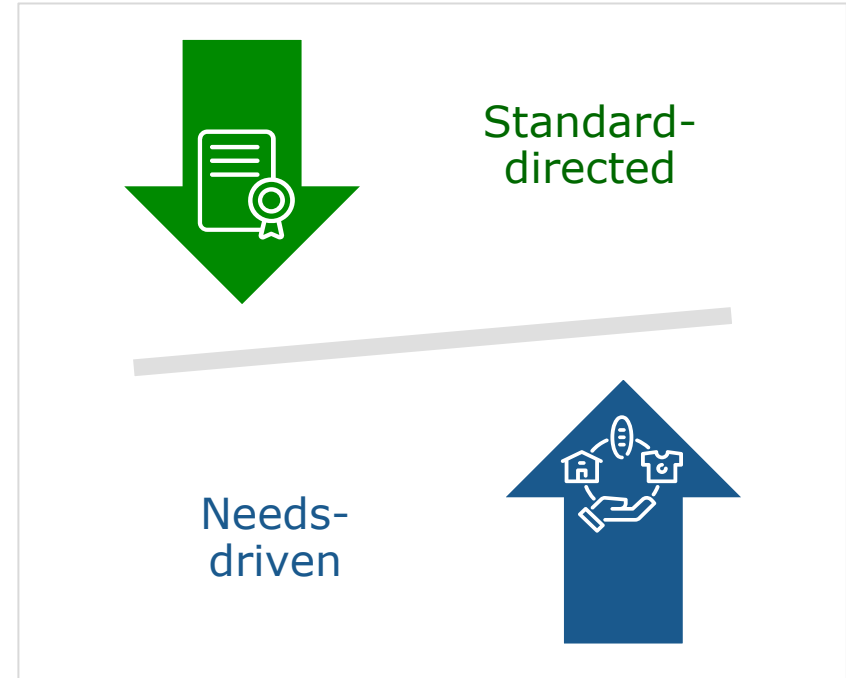


The Standard is a top-down compliance tool, while the NA aspires to be bottom-up, inclusive and democratic

By design, FT certification is driven by Standards and requirements, which CHs are audited against for (non-) compliance. Inherently, this is a top-down, risk management system based on checks and balances.

On the other hand, there is an ambition for the spending of the Premium to be(come) needs-driven and producer-centric based on the outcomes of a democratic NA process. This likely requires a shift in attitude towards the NA toolkit, process and language.

There is a bit of a prescriptive undertone to it, which might reinforce the potential sentiment that it is a tick the box activity. Ideally the NA approach should be encouraging values such as empathy, inclusivity and creativity.



The new NA toolkit fills a gap, but needs further refinement

Being provided with a NA toolkit was well received by the CHs and the FTCs. It fills a gap, as before there were no (standard) NA tools and they had to figure out how to do it from scratch. This was perceived to be quite challenging by CHs, especially those where implementers had more agricultural or technical profiles (in comparison to others who were social workers).

The Question Bank was perceived to be very useful, but instead of it being truly used as a Bank, it became the basis for the NA questionnaire. This resulted in long surveys, with limited contextualization and adaptation. Among CHs there was a concern that the language used in (some) questions was too technical. The FTCs had a desire to be able to define themes themselves, instead of them being prescribed (by the Standard). KoBo was regarded as an excellent tool; the digitization of the survey enabled the visualization of results and removed the need for tedious data entry as with the previous paper-based surveys.

The Prioritization Matrix was seen as a useful tool that facilitated multi-disciplinary discussions between FTUSA, the CH and the FTC. It brought together their different perspectives, which was appreciated by all the actors. However, the tool itself was seen as being too complex, with several challenging activities and numerical rankings. There was a desire for it to be simplified and adapted more to the capacity of the FTCs.

A one-size NA will not fit all

The NA toolkit currently takes a 'one size fits all' approach, perhaps driven by the aim to harmonize for consistency across geographies and supply chains. However, the reality is that there is significant diversity that should be acknowledged before scaling-up the toolkit. This does not imply that harmonization cannot be pursued, but that the toolkit should be designed with consideration for that diversity.

Several determining factors were identified that might provide direction for a more modular NA that might be tailored:

Community context: How developed are the communities (e.g., infrastructure, public services)? How is their access to goods and services?

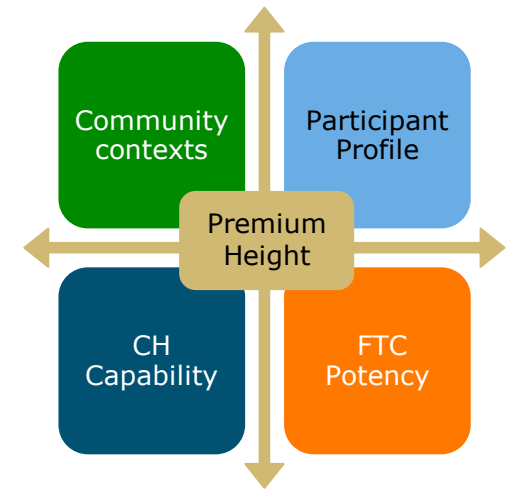
Participants profile: How heterogenous are Participants? What type of different groups are there? Might they have similar needs, or not?

CH capability: How skilled are the CH implementers at social work and community development?

FTC potency: How mature is the FTC? How well are they supported by the CH? How much help might they need from FTUSA?

Premium amount: How much is the Premium for that year (in total and p/Participant)? What are realistic expectations?

Determining factors



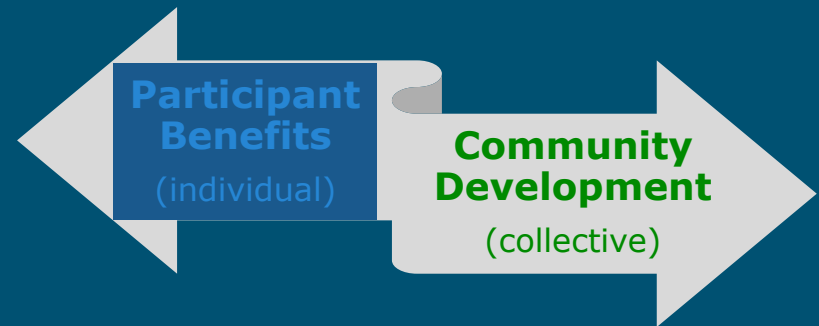
Developing communities and providing individual benefits are not all things equal

The FT proposition that is communicated externally focuses on creating impact in producer communities, through Community Development Funds. There also seems to be an organizational bias towards 'community projects' being better than providing individual benefits.

Yet, the Standard and FT training tools describe the Premium as an additional payment meant to create impact for individual Participants, their families *and* their communities. This creates ambiguity about who the Premium should be benefiting and what type of 'projects' are acceptable.

Combined with the desire that some CHs have to make things easier, there seems to be a risk for 'blanket' Premium spending, such as providing everyone with bikes or house improvement vouchers. These might be perceived or labeled as community projects, when in fact they are not.

Without further classification of the direct and indirect target beneficiaries, and the 'Project' options, Participants' satisfaction and inclusion might be sub-optimal. Identifying and addressing community needs warrants a different approach than identifying and addressing individual needs. While both options can co-exist, clear objectives are needed at the outset of the NA to determine respondents and methodologies.



Some Needs cannot be solved by the Premium but might benefit from institutional engagement by FT and brands

During the qualitative research several 'big' needs and trends emerged that were worrying respondents, which were not identified through the NA surveys. These included: (illegal) mining, urban migration by local youth and (increase in) drug trafficking / use (causing safety risks). These topics likely did not fit in the themes that were covered by the survey. There was also a perception that the FT Premium would not be able to solve these challenges anyway.

However, these challenges might cause social unrest and upheaval in production communities, thereby potentially impacting supply chains. They are also getting at root causes. These types of local challenges might be linked to larger trends that affect communities across supply chains and regions. From that perspective, there might be an opportunity for FT and its partner brands to play an institutional role through advocacy, government engagement, and participation in multi-sectoral initiatives.

Ideal future as described by a FTC member

One thinks that with the Fair Trade premium we can't solve these big problems that we have ... But Fair Trade is big ... Maybe there are other international forums where we can connect and learn ... So that they acknowledge our challenges ... Then we might feel protected so that we don't have to worry about the external threats that we face in our community. – FTC

5. RECOMMENDATIONS

Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA



EMPOWERMENT

Provide targeted NA support services

Implementing a NA process is not easy; it requires specialist skills. Some CHs and FTCs are less equipped than others; capacity building from FTUSA is essential for them. Without adequate support for the FTC, either from the CH or FTUSA, their empowerment will be minimal. While there might be insufficient capacity within FTUSA to provide all CHs and FTCs with services, a targeted approach that classifies which CHs and FTCs need support the most might help to prioritize resources.

Decouple FTC responsibilities from the certification cycle

Coupling the empowerment process of the FTC to the Standard's 6-year cycle creates unrealistic expectations. FTC members change throughout the certification cycle, with new ones coming in and mature members leaving. The level of effort required from the CH to support them is therefore not linear and determining the FTC's responsibilities based on the cycle year does not appear to have merit. Measurement of empowerment progress should not be based on time passed, but on objective indicators, which should in turn inform the expected FTC capabilities.

Require FTC rotation and (maximum) terms

The Standard currently doesn't require maximum terms or minimum rotation of roles for the FTC. Therefore, there is a risk that the personal development benefits of FTC membership are only available to a small group of Participants. In addition, long-term FTC members might turn into positions of power, and/or become exclusive. This would in turn hamper the empowerment of the Participants through their representation in the FTC.



ACCURATE & EFFECTIVE

Take a modular approach so the NA can be tailored

The NA currently takes a one-size-fits-all approach, which bypasses the existing diversity. A modular NA approach could be developed considering the different CH determinants, with a menu of corresponding steps and methods. These might include community mapping, spot checks to measure satisfaction with existing projects, creative group activities (e.g., card sorting), stakeholder engagement (e.g., nurses, teachers), etc. FTUSA consultants might be given a role to determine the profile of the CHs/FTCs and identify which modules are best suited/feasible.

Facilitate a truly bottom-up NA

Avoid the prescription of required themes; and instead enable and empower the FTC, CH and FTUSA staff to jointly identify the NA themes that they hypothesize are most relevant to the context of their Participants. Recognize and formalize other (continuous) activities by the CH and FTUSA to inform the NA development, such as observations and informal chitchat. Ensure the Question Bank is not perceived to be prescriptive; monitor the maximum number of questions added to the survey. Increase the frequency of engagement with Participants (3 years is too infrequent for a NA).

Reduce the burden on (volunteer) FTC

Aim to prevent overburdening the FTC with (overambitious) responsibilities. Instead, promote a multi-functional approach that combines the contextual knowledge of the FTC with the technical capacity of the CH and/or FTUSA Consultants. Giving the other actors a pro-active role and/or explicit participation in the NA process would facilitate efficient contextualisation and effectively focus the direction of the content for the (globally designed) NA tools. A multi-disciplinary approach would likely also support the Project development process.



INCLUSION AND SATISFACTION

Create clarity and consistency on who the Premium beneficiary is

The Premium will not reach its full potential without clarity on who the intended beneficiary of the Premium is - i.e., the Participant or the Community. It will remain challenging to identify relevant needs for both through a standardized NA, as they are likely different for Participants and Communities. If needs are blended to serve multiple groups, then subsequent Projects will likely be a compromise as well. Achieving a high sense of inclusion and satisfaction requires upfront clarity on the intentions of the NA and the Premium, as the created expectations will inform the subsequent sense of inclusion and satisfaction.

Ensure all Participants benefit equally

Currently not all Participants seem to be benefiting equally from the Premium that is earned annually. The Standard creates room for this exclusion by only requiring a 1x p/6-yearly benefit for each Participant. However, there is inconsistency between sites on how it is decided who Premium is allocated to p/year, and how much their share is. To be truly inclusive, there should be a clear and consistent process for annual Premium calculation, allocation and documentation. At CHs with high Participant turnover it would be ideal if all Participants benefit yearly (in lieu of community projects).

Recognize diversity and promote flexibility in Spending

Participants and communities have diverse needs and Premium spending should be able to address that diversity where needed. An unbiased description of different ways to spend Premium (e.g. cash, in-kind, vouchers, community infrastructure), and an option to choose freely, might lead to higher satisfaction. 'Blanket' projects that provide everyone with the same thing for the sake of being 'communal' should be avoided. The maximum limit for 50% in-kind/ cash distribution of the Premium could be reconsidered, especially when Premium amounts are low and/or there is high Participant turnover.

6. ANNEX

Color-coding:

- FTC
- Premium Participants
- Both groups combined
- CH implementer
- FTUSA



Annex 1: Index of specific Toolkit & Standard findings

Toolkit	Page #	Standard	Page #
Question Bank	40-48	FTC's NA capability	30
KoBo	66-68	FTC maturity & certification cycle	32-34
Prioritization Matrix	69-72	CH NA Capability	37
		NA Themes	47
		NA Frequency	55-57
		FTC responsibility for the Premium Plan	72
		Premium/ Project definition	74-77
		Frequency of Benefit access	78-80

Annex 2: Interpreting pre- and post-pilot quantitative surveys

The next two slides present side-by-side results of similar questions from pre- and post-pilot survey questions.

For the post-pilot survey, it was decided to simplify the questions and reduce the number of answer options compared to the pre-pilot survey design. To still visualize the results in the same way, the answer options have been (re-)grouped in positive, neutral and negative.

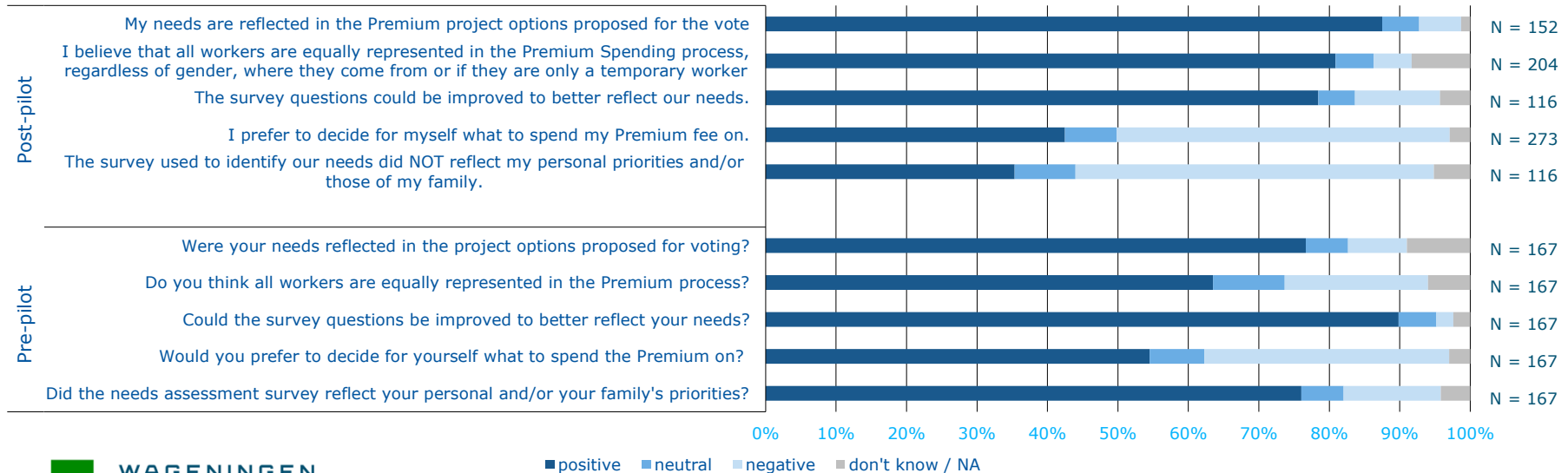
In addition, it was not possible to revisit (all) the same Participants who were surveyed during pre-pilot phase. Therefore, a mix of return and 'fresh' Participants were surveyed during the post-pilot research.

The FTC members, however, are likely to be the same individuals as only a few (2-3) rotated out since since the pilot took place.

For these reasons, a comparative analysis is not possible, other than sharing the outcomes for an indicative impression.

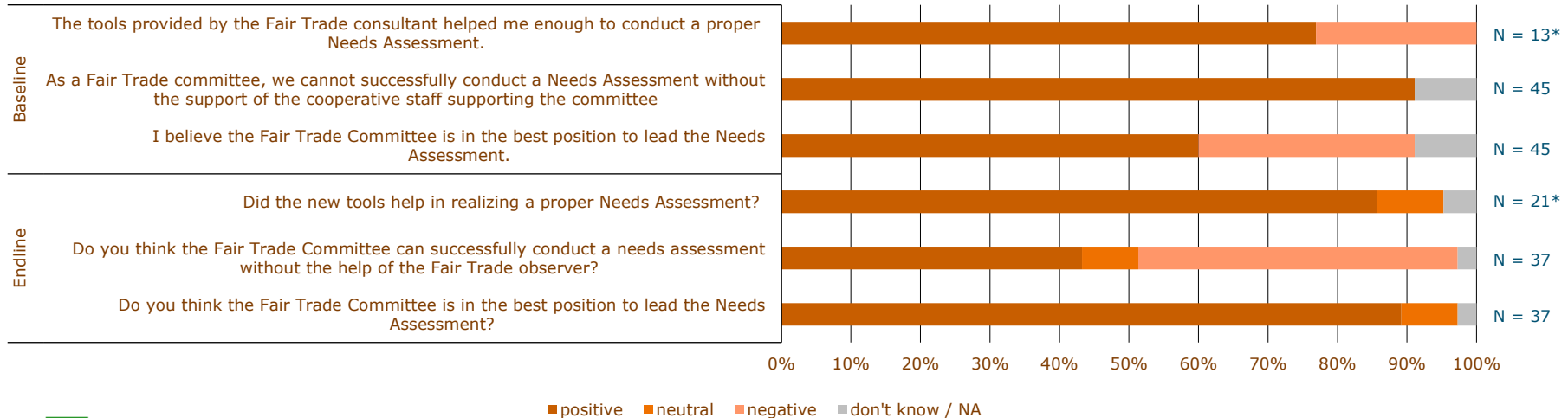
Annex 2.1: Outcomes of the pre- and post-pilot surveys: Premium Participants

The Participants who responded to the post-pilot survey seem to be overall a bit less positive about their experience with the NAR and Premium spending than the (different sample of) participants who responded to the pre-pilot survey and the FTC members (see next slide). This could be explained by increased (critical) awareness of the NA due to the pilot and the evaluation surveys themselves. Since no qualitative research was done with Participants during this evaluation it is not possible for further contextualize these results or attribute them to the NAR pilot and/or toolkit.



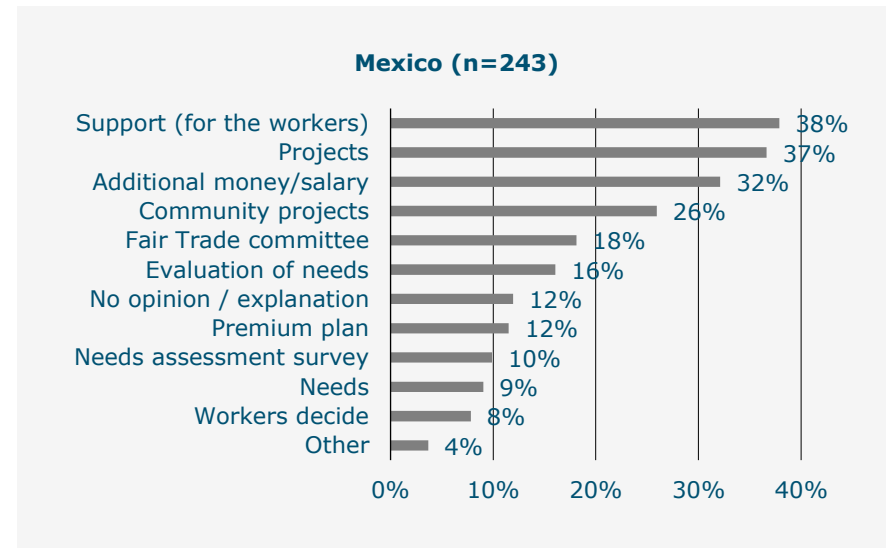
Annex 2.2: Outcomes of the pre- and post-pilot surveys: FTCs

In contrast to Premium Participants, FTC members appear to be more positive about their role in the NA in the post-pilot survey. They seem to feel better about their ability to conduct a NA without the CH implementer and their belief that the FTC is in the best position to lead the NA seems to have improved as well. This conclusion is supported by the qualitative data; compared to previously not having a toolkit, the FTC were happy with having one now, and the dedicated implementation support they received from FTUSA, as well as the CH implementer. Nevertheless, the evaluation also highlights areas for improvement, both in the toolkit and the Standard requirements.



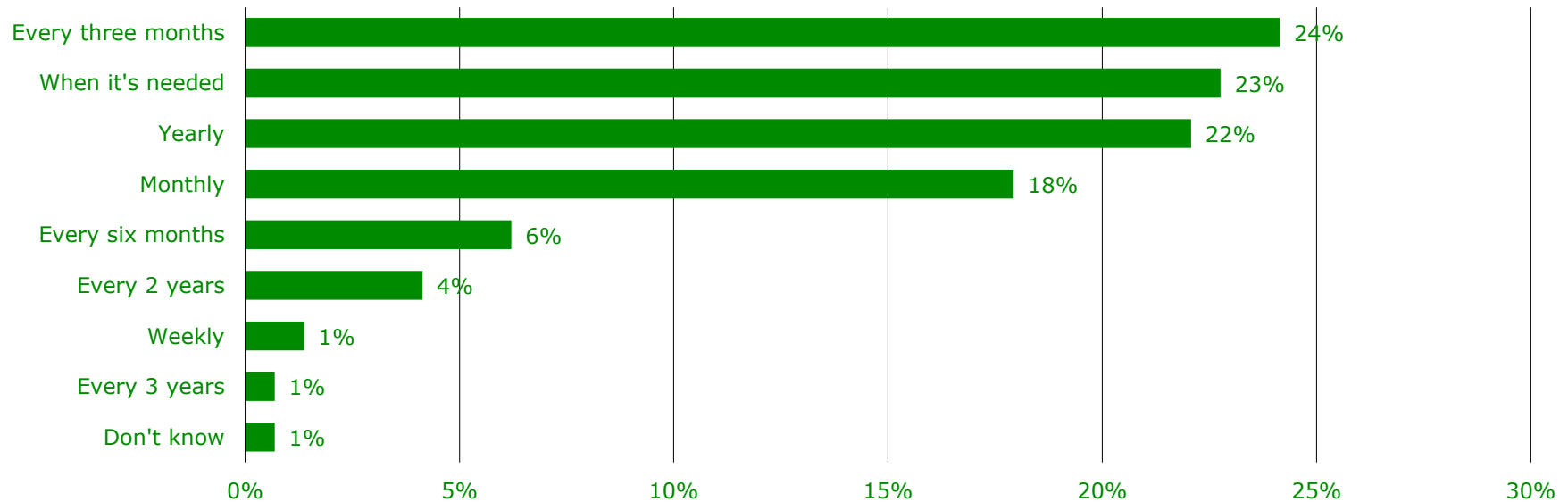
Annex 3: Participants are told that the Premium will primarily benefit them and their families

Question in baseline: What do you know about Fair Trade? Respondents were asked to answer spontaneously, asked to Participants and Committee members.



Annex 4: Aggregated graph of the survey question 'How often do you think a needs assessment survey should be conducted?'

How often do you think a needs assessment should be conducted? (n = 145)



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