



Call for an Independent Member for the Finance and Audit Committee

Introduction

Fairtrade changes the way trade works through better prices, decent working conditions and a fairer deal for farmers and workers in developing countries. By choosing Fairtrade products, people can create change through their everyday actions, and farming communities can improve their lives and invest in their future.

Fairtrade International is a non-profit, multi-stakeholder association of 22 member organizations – three producer networks and 19 national Fairtrade organizations. We are responsible for the strategic direction of the Fairtrade system, the Fairtrade Standards and support to our member organizations worldwide. Our members include three producer networks, 19 national or regional Fairtrade organizations (covering 24 countries), five marketing organizations, and two applicant members.

We currently have 1 open position for an Independent member on the Finance and Audit Committee.

The purpose of Finance and Audit Committee (FAC)

The Fairtrade International Board is in charge of all matters relating to the Association, i.e. proposing an integrated strategic plan for the Association, approving official policies relating to the Association's work; approving annual plans and budgets for the work of the Association etc. In order for the Board to maintain a forward and outward looking strategic focus, the Board appoints sub-committees to take a lead role on one of the areas of work in a more detailed way. Currently the Fairtrade International Board appoints four sub-committees: the Finance and Audit Committee, the Governance Committee, the Standards Committee and the Nominations Committee.

The purpose of the Finance and Audit Committee (FAC) is to provide advice, recommendations and reports to the Board on matters of financial oversight, financial reporting, risk management framework, internal control framework, external audit, and other related matters as determined by the Board or jointly by the Board and the FAC.

Membership

The FAC is composed of a maximum of seven members. In addition to the Treasurer of the Association, the Committee will comprise 1 additional Board member, 2 Producer Network representatives, 2 National Fairtrade Organisation representatives and 1 independent member.

Members of the FAC who are not members of the Board will be appointed by the Board following the process in operation by the Nominations Committee and based on the competencies required.

Term

Individuals appointed to the FAC for their professional skills will serve for up to three years, or for a shorter period as determined at the time of their appointment by the Board. The Board may extend their term of office except that no member may serve on the FAC for more than two consecutive terms without a gap of at least three years.

Membership of the FAC is an honorary position. Fairtrade International reimburses reasonable economy travel and accommodation costs upon submission of original receipts.



Member requirements

Members of the FAC should be able to communicate easily in English, the working language of the Committee. They will have proven experience in finance matters and/or risk assessment.

Members of the FAC represent the interests of Fairtrade International and do not serve in an individual capacity. They will fulfil their tasks in a timely, objective, impartial, and non-political manner, and shall keep confidential all information submitted to them in their capacity as members of the FAC. They should regularly attend the FAC meetings, be properly prepared and shall contribute to the follow-up actions as agreed.

Frequency of meetings

The FAC will hold four (4) meetings per year. It is expected that all meetings will be virtual, with physical meetings by exception only. Meetings will normally be no more than three (3) hours in length.

Duties

The main duties of the FAC are to:

Financial oversight

- Review and recommend to the Board the Association's annual budget.
- Monitor the Association's actual financial results against budget on a quarterly basis and agree corrective action as necessary with management.
- Receive reports on financial strategies adopted to address specific trends or issues and provide advice to the Board on strategic budget and financial management issues.
- Approve the credit management policies of the Association including member debtors, general debtors and debt write-offs.
- Approve all major debt financing.
- Review financial policies for the Association.
- Review and recommend an appropriate Reserves Policy for the Association.
- Review and recommend to the Board the level of expenditure authority of the Fairtrade International Central Office.

Financial reporting

- Review and recommend to the Board the annual financial statements of the Association, including the adequacy of note disclosures.
- Review the accounting treatment of significant or unusual transactions.

Risk management framework

- Review and advise the Board on the adequacy of the Association's risk management framework as set out in its' Risk Management Plan.
- Regularly receive reports from the Organisational Risk Management Committee and review the Association's major risks.
- Review the Association's procedures for detecting fraud and whistleblowing and ensure that procedures are in place for the receipt, retention, and treatment of complaints received, and for the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- Review the adequacy of the Association's insurance program.



Internal control framework

- Confirm and assure the independence of external audit functions.
- Ensure that recommended improvements to internal controls are implemented in a reasonable timeframe.
- Ensure that relevant Accounting Standards are implemented appropriately.

External audit

- Make recommendations to the Board on the appointment, reappointment and removal of the external auditor.
- Meet with the external auditor, in the absence of management, to ensure that the auditor has had unfettered access to all necessary records and that the external auditor has received full cooperation from the staff of the Association.
- Discuss with the external auditor any matter which might prevent the issuing of an unqualified audit opinion on the annual financial statements.
- Consider external audit reports and management letters and the management action proposed.
- Review and advise the Board on management responses to audit recommendations.

Qualities required for the role of independent member of the Finance and Audit Committee

You must be able to demonstrate that you meet the following essential criteria:

- a recognised accountancy qualification (for example CPA, ACA or equivalent)
- director or head of finance level experience
- experience of financial management, governance, risk management, audit and control issues
- excellent communication and influencing skills, and a good understanding of English
- a thoughtful, balanced and rational decision making ability
- a willingness to act collegially with other members and to take collective responsibility for decisions
- the ability to bring further external challenge to the Committee's deliberations
- a commitment to building an understanding of Fairtrade International's governance and operating structures.

How to Apply

Interested candidates should send in their CV and a cover letter detailing why they are qualified for and interested in being an independent member of the Finance and Audit Committee, with subject line "Application for Finance and Audit Committee".

Applications will be accepted until **7th December 2019** at nominations@fairtrade.net