



Guidance to Applicants for Membership of The Federation of Cocoa Commerce Ltd

1. Introducing the Federation of Cocoa Commerce Ltd - Formation and aims

The roots of the FCC date back to 1929 when the Cocoa Association of London (CAL) was established to serve the growing trade in physical cocoa. In 2002, following the merger between the CAL and the Paris based AFCC (founded in 1935) the FCC was formed bringing together a diverse range of interests with a common purpose - to develop a single robust commercial framework for the cocoa market, to achieve contract harmonisation and provide supporting services and education programmes.

The relationships between the different sectors of the cocoa market have been significantly strengthened as a result of the merger and the subsequent restructuring of the composition of the Council provides a representative balance of interests.

The main aims of the Federation are to promote, protect and regulate the trade in cocoa beans and cocoa products and to support and safeguard the status and interests of its members. These objectives are principally delivered through the FCC international cocoa contract, arbitration services and a superintendents scheme which form our core activities.

With a healthy membership profile of over 160 members from production/exportation companies through to the chocolate industry, including the cocoa trade, cocoa processors, banks, insurance, logistics providers and superintendents, the Federation continues to respond to the challenges posed by today's complex cocoa supply chain.

The strength of the cocoa market has always been the people that work within it. The FCC reinforces this unique feature through the organisation of a tri-annual Cocoa Dinner and an expanding range of education courses, workshops and conferences which combine to deliver a real sense of cocoa community.

Our excellent relationship with the governments of cocoa producing and consuming countries particularly through our involvement with the International Cocoa Organisation provides a firm platform for the FCC to make a positive difference to the development of a sustainable cocoa economy and improve the livelihoods of cocoa farmers. The key focus of the Federation is the construction of this platform for sustainability to provide a solid base for the long term success of our members and the cocoa market.

2. Benefits to Members

- Access to the Rules and Regulations in English and French, which relate to the governance of the Federation, to the international contract rules for cocoa beans and cocoa products and to the arbitration and appeal procedures. These are reviewed regularly and updated when necessary by the Contracts & Regulations Committee and the Arbitration & Appeals Committee the members of which are selected from various sectors of the cocoa trade and industry to advise the Council.
- Access to Guidance Notes on the Contract Rules for Cocoa Beans and Cocoa Products as well as Guidelines for Shipment and Storage of Cocoa Beans and Cocoa Products.
- Arbitration and Appeal facilities in English and French are available for resolution of quality and technical disputes in an efficient and cost effective manner. The panels for Arbitration and Appeal are composed of representatives of the Voting Membership and are published and reviewed regularly by the Council.
- Members are exempt from advance deposits and higher level administration fees on arbitration proceedings.
- Discounted rates on FCC training courses held yearly. The FCC education courses provide an opportunity to transfer knowledge from experienced cocoa market operators to new entrants to the business in order to guarantee the longevity of the cocoa market.
- Regular cocoa news distribution, bringing members up-to-date with relevant commercial and political events in the cocoa world.
- Access to the members' area on the Federation's website with regular updates on matters of special interest to members.
- Publication of members' contact details on the FCC website.
- Members can purchase tables at the FCC Cocoa Dinners to invite their guests to an event that is held every three years and bring together over 800 people from the international cocoa community.
- Qualifying members can apply to join the FCC Superintendents Scheme.
- Representation of Members' interests by means of active participation with a variety of institutions covering a wide range of issues such as cocoa quality requirements, food safety, child labour practices, sustainability and the concerns expressed by or on behalf of cocoa producers.

3. Composition and Membership

The Federation is an independent company limited by guarantee.

Membership is divided into 4 categories – **Voting, Non-Voting, Group and Honorary.**

Voting membership is open to those engaged in the trade of cocoa beans and cocoa products. Voting membership is subdivided into the following categories:

- a) **Production/Exportation** - Voting Members based in countries which grow cocoa beans;
- b) **Industry** - Voting Members engaged in the processing of cocoa beans, cocoa products or related articles;
- c) **Trade** - any other Voting Members.

Non-Voting Membership is open to those engaged in activities ancillary to the trade and who are not parties to the FCC contract.

Group membership is open to subsidiary or associate companies of members in either the Voting or Non-Voting Category.

The international nature of the Federation is evidenced by its diverse membership.

The Federation is managed by an elected Council of 18 directors who serve for a maximum period of 8 years. They are drawn from directors and employees of the Voting and Non-Voting Membership as follows:

- a) 4 Voting Members representing Production/Exportation;
- b) 6 Voting Members representing the Trade;
- c) 4 Voting Members representing the Industry;
- d) 4 Non-Voting Members elected by the voting Council members.

GENERAL GUIDELINES TO MEMBERSHIP APPLICATION

1. Voting and Non-Voting Members may be individuals, firms or corporations. Group Members must be corporations.
2. The election of members is entirely at the discretion of the Council to whom all applications are submitted for approval. In exercising this discretion, the Council may take into account the length of time that the applicant and/or its Directors and management, have been engaged in the cocoa market.
3. All applications for **Voting Membership** must be:-
 - (i) submitted upon the relevant form;
 - (ii) proposed and seconded by Voting Members of the Federation: the relevant form must be completed as indicated by the Proposer and the Secunder as well as by the Applicant;
 - (iii) accompanied by audited/certified financial accounts which are not more than one year old.
4. All applications for **Non-Voting Membership** must be:-
 - (i) submitted upon the relevant form;
 - (ii) proposed and seconded by Voting Members of the Federation: the relevant form must be completed by the Proposer and Secunder as well as by the Applicant.

5. All applications for **Group Membership** must be:-

- (i) nominated by an existing Voting Member (the Nominating Voting Member) or an existing Non-Voting Member (the Nominating Non-Voting Member) of the Federation;
- (ii) submitted upon the relevant form;
- (iii) completed as indicated by the Applicant and by either the Nominating Voting Member or Nominating Non-Voting Member of the Federation (usually the parent company) which must be an existing member of the Federation;
- (iv) accompanied by audited/certified financial accounts which are not more than one year old (only applicable for Group Member of a Voting Member's Group);
- (v) a corporation related to the Nominating Member in accordance with the terms set out in Article 7 below of the Articles of Association.

“Any company:

(a) in a Voting Member's Group not being a Voting Member and being a body corporate engaged in the trade which has an issued and fully paid up share capital and/or retained earnings of at least £250,000 (or such other amount as a majority of the Council shall in its entire discretion otherwise decide from time to time) shall be eligible to become a “Group Member” of the Federation upon being nominated for Group Membership by that Voting Member (“the Nominating Voting Member”).

(b) in a Non-Voting Member's Group not being a Non-Voting Member and being a corporation engaged in activities ancillary to the Trade or which provides services to the Trade, but which is not actively engaged in the Trade, shall be eligible to become a “Group Member” of the Federation upon being nominated for Group Membership by that Non-Voting Member (“the Nominating Non-Voting Member”).”

CAPITAL REQUIREMENTS

Voting Members	£250,000 issued and fully paid up capital or equivalent capital and reserves.
Group Members of a Voting Member's Group	£250,000 issued and fully paid up capital or equivalent capital and reserves.
Non-Voting Members	Not applicable
Group Members of a Non-Voting Member's Group	Not applicable

SUBSCRIPTION FEES (Effective from 01 January 2012)

Entrance fee	£250.00	One-off fee payable by all members upon joining the Federation.
Voting Member fee	£2,750.00 p.a.	Yearly fee for a single Voting Membership
Non-Voting Member fee	£1,350.00 p.a.	Yearly fee for a single Non-Voting Membership
Group Membership		
Voting Member's Group fee	£5,500.00 p.a.	Includes the Nominating Voting Member and up to 5 additional Group Memberships after which each Additional Group Membership will cost £650.00 p.a.
Non-Voting Member's Group* fee	£2,700.00 p.a.	Includes the Nominating Non-Voting Member and two additional Group Memberships after which each additional Group membership will cost £400.00 p.a.
*Group members in the Non-Voting Member's Group may also join the Superintendents Scheme at no extra cost, subject to the terms and conditions of the FCC Member Superintendents Scheme.		

For more information about the Federation, please contact the Secretariat:

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