

Information/Guidelines for Membership Application

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 170 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 current and all previous versions of the FCC 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.
- Members have the opportunity to play an active role in the Federation's work through our committees and working groups such as the Contracts Committee, the Arbitration & Appeal Committee, the Membership Committee, the Insurance Working Group etc.
- Voting members have the opportunity to join the Arbitration & Appeal Panel of the FCC which is regularly reviewed by the Council.
- Members benefit from lower fees on arbitration and appeal proceedings.
- Members benefit from 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.
- Members benefit from FCC Workshops specially organised for members of the Federation.
- Cocoa news is distributed daily to members highlighting up-to-date 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.
- Publication of members' contact details on the FCC website.
- Members have the opportunity to purchase tables at the FCC Cocoa Dinner to invite their guests to an event that is held every three years which brings together over 800 people from the international cocoa community.
- Qualifying members can apply to join the FCC Superintendents Scheme.
- Representation of Members' interests through the Federation's active participation in 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 5 categories – **Voting, Associate, 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 sectors of the Trade:

- Production/Exportation** - Voting members engaged in the production of Cocoa Beans and/or exportation of Cocoa Beans, Cocoa Products and related articles from origin countries;
- Business to Business "BTB"** - Voting members engaged in the processing of Cocoa Beans, Cocoa Products and related articles ("the Processor Sector of the Trade");

- c) **Business to Consumer “BTC”** – Voting members engaged in the manufacturing of Cocoa Products and related articles ("the Chocolate Industry Sector of the Trade");
- d) **Trade** - Voting members engaged in the trading of Cocoa Beans, Cocoa Products and related articles.

Associate membership is open to those engaged in the trade of cocoa beans and cocoa products which are not able to meet the financial requirements for Voting membership. Associate membership is also subdivided into the following sectors:

- a) **Production/Exportation** - Associate members engaged in the production of Cocoa Beans and/or exportation of Cocoa Beans, Cocoa Products and related articles from origin countries;
- b) **Business to Business “BTB”** - Associate members engaged in the processing of Cocoa Beans, Cocoa Products and related articles ("the Processor Sector of the Trade");
- c) **Business to Consumer “BTC”** – Associate members engaged in the manufacturing of Cocoa Products and related articles ("the Chocolate Industry Sector of the Trade");
- d) **Trade** - Associate members engaged in the trading of Cocoa Beans, Cocoa Products and related articles.

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 subsidiaries or affiliates 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) 5 Voting Members representing the Trade;
- c) 3 Voting Members representing the Business to Business “BTB” / Processor Industry Sector of the Trade;
- d) 3 Voting Members representing the Business to Consumer “BTC” / Chocolate Industry Sector of the Trade;
- e) 4 Non-Voting Members elected by the voting Council members.

GENERAL GUIDELINES FOR MEMBERSHIP APPLICATION

1. To apply for Voting, Associate or Non-Voting membership you must be either an individual, a body corporate, an unincorporated association or other legal entity. To apply for Group membership, you must be a body corporate.
2. Membership approval is entirely at the discretion of the Council to whom all applications are submitted following a review by the Membership Committee. In exercising its 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 **Associate 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 the relevant financial information accounts which are not more than one year old.

5. 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.

6. 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 by a body corporate (as defined in Article 14 below of the Articles of Association) 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);

Group Member

a) A person being a body corporate:

(i) which is connected by shareholding or otherwise with a Voting Member (also being a body corporate) and which the Council decides, in its absolute discretion, is in a genuine relationship of parent, subsidiary or affiliate with that Voting Member; and

(ii) which is engaged in the Trade and which has Capital Assets of at least £500,000 (or such other amount as a majority of the Council shall in its absolute discretion otherwise decide from time to time);

shall be eligible to become a “Group Member” of the Federation upon being nominated for the same by that Voting Member (“the Nominating Voting Member”).

(b) A person being a body corporate:

(i) which is connected by shareholding or otherwise with a Non-Voting Member (also being a body corporate) and which the Council decides, in its absolute discretion, is in a genuine relationship of parent, subsidiary or affiliate with that Non-Voting Member; and

(ii) which is 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 the same by that Non-Voting Member (“the Nominating Non-Voting Member”).

CAPITAL REQUIREMENTS

Voting Members	Capital Assets ¹ of $\geq$ £500,000
Associate Members	Capital Assets $\geq$ £100,000 and $<$ £500,000
Group Members of a Voting Member's Group	Capital Assets of $\geq$ £500,000
Non-Voting Members	Not applicable
Group Members of a Non-Voting Member's Group	Not applicable

'Capital Assets' means the capital requirement applicable to voting and associate membership as follows:

- a) *for any person, being **an individual**, a partnership or unincorporated association, or other legal entity the total amount of capital invested, retained earnings and other reserves which the business owes to the proprietor, partners or members as disclosed in their most recent annual financial statements of the Trade.*
- b) *for any person, being a body corporate the total amount of the called up share capital, share premium, retained earnings and other reserves attributable to the equity shareholders or members as disclosed in their most recent financial statements of the Trade.*

SUBSCRIPTION FEES (Effective from 01 January 2023)

Entrance fee	£250.00	One-off fee payable by all members upon joining the Federation.
Voting Member fee	£3,400.00 p.a.	Yearly fee for a single Voting Membership
Associate Member fee	£1,900.00 p.a.	Yearly fee for a single Associate Membership
Non-Voting Member fee	£1,680.00 p.a.	Yearly fee for a single Non-Voting Membership
Group Membership		
Voting Member's Group fee	£6,800.00 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	£3,360.00 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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