



## **membership costs 2022**

This document details the expenses related to Fair Wear membership. These include the Fair Wear annual membership fee as well as several additional costs, such as Fair Wear audits, trainings, and services.

Please be aware that your company may have supplementary expenditures, such as additional travel costs, human resources or the development of a CSR department, that are necessary to implement the Fair Wear membership.

# FAIR WEAR ANNUAL MEMBERSHIP FEE

Fair Wear membership is open to European garment companies with a minimum annual turnover of 10 million euro, more than 50% production<sup>1</sup> in countries where Fair Wear is active and at least 50% own production.

The membership fee is calculated based on their yearly turnover in products as defined in the scope of Fair Wear membership section of the [Brand Performance Check Guide](#)

The turnover is determined by the consolidated annual financial report that is provided to Fair Wear, which should be accompanied by an accountant statement. The report should concern the last closed fiscal year. If the turnover has changed drastically with respect to the previous year, the difference is only taken into account if the membership fee would deviate more than 20% from the already invoiced fee, in which case you will receive a final invoice (debit or credit).

If the accountant statement differentiates turnover between products as defined in the scope of Fair Wear and other products, only the turnover of products within the scope of Fair Wear will be used to calculate the membership fee.

For most categories, the amounts are subject to adjustment based on inflation rates.

In the event of termination of membership before the end of the year, the membership fee for the entire year is due.

The Fair Wear Board reserves the right to adjust the membership fees for the following year.

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<sup>1</sup> Production that takes place in countries where Fair Wear does not require full audits can also count towards the required 50%

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Turnover (min) in €	Turnover (max) in €	Membership fee 2022 for members that started membership 2019 and later	Membership fee 2022 for members that started membership before 2019
€ 2.500.000	€ 5.000.000	€ 7.350,00	€ 6.110,00
€ 5.000.001	€ 10.000.000	€ 7.350,00	€ 6.690,00
€ 10.000.001	€ 25.000.000	€ 7.350,00	€ 7.350,00
€ 25.000.001	€ 30.000.000	€ 7.750,00	€ 7.750,00
€ 30.000.001	€ 35.000.000	€ 8.460,00	€ 8.460,00
€ 35.000.001	€ 40.000.000	€ 9.160,00	€ 9.160,00
€ 40.000.001	€ 45.000.000	€ 9.860,00	€ 9.860,00
€ 45.000.001	€ 50.000.000	€ 10.570,00	€ 10.570,00
€ 50.000.001	€ 60.000.000	€ 11.980,00	€ 11.980,00
€ 60.000.001	€ 70.000.000	€ 13.380,00	€ 13.380,00
€ 70.000.001	€ 80.000.000	€ 14.810,00	€ 14.810,00
€ 80.000.001	€ 90.000.000	€ 16.200,00	€ 16.200,00
€ 90.000.001	€ 100.000.000	€ 17.620,00	€ 17.620,00
€ 100.000.001	€ 125.000.000	€ 21.140,00	€ 21.140,00
€ 125.000.001	€ 150.000.000	€ 24.660,00	€ 24.660,00
€ 150.000.001	€ 175.000.000	€ 28.180,00	€ 28.180,00
€ 175.000.001	€ 200.000.000	€ 31.710,00	€ 31.710,00
€ 200.000.001	€ 250.000.000	€ 38.760,00	€ 38.760,00
€ 250.000.001	€ 300.000.000	€ 45.800,00	€ 45.800,00
€ 300.000.001	€ 350.000.000	€ 52.850,00	€ 52.850,00
€ 350.000.001	€ 400.000.000	€ 59.890,00	€ 59.890,00
€ 400.000.001	€ 450.000.000	€ 68.320,00	€ 68.320,00
€ 450.000.001	€ 500.000.000	€ 73.990,00	€ 73.990,00
€ 500.000.001	€ 750.000.000	€ 88.100,00	€ 88.100,00
€ 750.000.001	€ 1.000.000.000	€ 109.940,00	€ 109.940,00
€ 1 000 000 001	€ 1 500 000 000	€ 138.130,00	€ 138.130,00
€ 1 500 000 001	€ 2 000 000 000	Tailor-made tariffs	Tailor-made tariffs

The above mentioned fees are excluding VAT.

## What services are included in FWF's annual membership fee?

- Fair Wear **verifies and supports** your activities as you work towards making improvement in the labour conditions in factories you source from. Through external, independent verification, Fair Wear membership adds credibility to your efforts.
- Fair Wear **provides feedback** on your annual work plan and the annual social report, in order to enhance the quality of the documents, both of which are intended to provide insight into your (planned) activities concerning the improvement of labour conditions and enhance transparency of your efforts and results.
- Once your work plan has been approved and monitoring activities have taken place, Fair Wear **performs verification audits for 10% of the FOB over 3 years**. The results will help you to further improve labour conditions in the factories you source from. The cost of these audits is included in the membership fee.
- Fair Wear **gives advice** on your internal management system, including the annual Brand Performance Check. This allows you to perfect your management system by making step-by-step progress.
- Fair Wear membership includes **max 4 licenses to access the online database system Fairforce and max. 8 licences** for brands with turnover higher than 100.000.000, where you can store your factory data securely. For each additional license, a surcharge of 50 euros is paid.
- Fair Wear **has a complaints handling procedure** designed to protect workers and provide access to remedy. If a complaint is filed by a factory worker or a local organisation where Fair Wear is active—and there is no existing effective grievance mechanism—Fair Wear and the member who sources from that factory will jointly follow up on the complaint. This allows for concrete contributions to the implementation of good labour conditions in the factories.
- Fair Wear **produces a range of informational material**. This includes, for example, country studies and risk assessments that can be used to establish what is required in order to implement the Code of Labour Practices in a factory in a specific country. They also provide a source of information to perform due diligence throughout your supply chain.
- Fair Wear **collaborates with other organisations** in order to harmonise the efforts being made towards the improvement of labour conditions. This allows us to compile and expand knowledge on local labour conditions.
- Fair Wear **organises several annual events** for all its members. During the event, participants can share experiences and find inspiration for new ideas.
- Fair Wear occasionally organises **thematic (training) activities** at the request of member companies. These can range from a CSR awareness training to a training for purchasers.
- Fair Wear **informs consumers** on sustainable purchasing and on the progress made by members by posting relevant material on our website and social media channels—including your Brand Performance Check and social report, as well as regular highlights on members who have done exceptional work on specific topics, such as living wages.

## AUDITS

It is the responsibility of brands to establish a human rights due diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights

To identify risks, brands can use several methods, including country studies, stakeholder interviews and other related research projects that investigate human rights violations in garment supply chains. To identify specific issues at your supplier, audits are one of the key tools.

Fair Wear's factory auditing serves two main purpose: for factories, it is one step in a process leading to work-place improvements. The purpose is to identify issues, so that brands and suppliers have a base where they can collaboratively work together to improve working conditions

For companies, factory verification visits also serve as an indication of a member's company's performance in upholding its Fair Wear commitments.

Fair Wear selects and trains audit teams in each of the eleven active countries.

There are two types of Fair Wear audits:

**1. Verification audit.** Verification audits are selected by Fair Wear. Your brand liaison will contact you in the beginning of the year to inform which production locations are suggested for a verification audit. Costs are covered by Fair Wear. Fair Wear audits at least 10% of your FOB every three years.

**2. Monitoring audit.** The Fair Wear audit teams can be hired (for a supplementary fee) to perform your social audits, saving you the cost and trouble of training your own team or finding external audit teams. You can book this audit yourself through the Fair Wear information system.

### Country-specific fee structure

The flat fee depends on the country and several other factors:

- The standard daily fees of the audit team members, which is based on the income categories of the production countries.
- Travel and accommodation costs which are based on historical data of invoices submitted by Fair Wear auditors.

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Further, several other factors were taken into consideration when developing the flat fee structure. These include:

- The number of workers in the audited factory, which determines the time spent by the audit team on an audit.
- Handling costs of Fair Wear headquarter staff for time spent on the audit and for the costs of bank transfers.

Please refer also to the [Fair Wear financial terms for service providers](#), which sets out the classification of countries, daily working fees for members of the audit team, and the necessary time investment of the audit team based on factory size.

Every year, the audit fees are assessed according to inflation and local costs. The following flat fees are based on the factors mentioned above. Fair Wear has assigned the eleven active countries to three categories: low, middle and high income.

FAIR WEAR MONITORING AUDIT					
Country income level	Size of factory (# of workers)				
	5-25	26-50	51-500	501-1000	>1001
<b>Low income</b> Bangladesh, India, Myanmar, and Vietnam	1810	2250	2590	2750	3250
<b>Middle income</b> Bulgaria, Macedonia, Romania, Thailand, and Tunisia	2000	2440	2830	2980	3530
<b>High income</b> Turkey and China	2150	2650	3090	3250	3860

## Non-active countries fee structure

Sometimes Fair Wear is asked to conduct an audit in a country other than those mentioned above, mostly in countries which are in close proximity to Fair Wear active countries. Currently, it is possible to do audits in Thailand, Morocco, and Moldova. If it is possible that Fair Wear conducts the audit, the costs would need to be determined on a case-by-case basis. From 2022 onwards, Fair Wear no longer conducts audits in Indonesia. However, brands could still agree

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with Indonesian suppliers to conduct an audit on the brands' own terms by using our former auditors. Fair Wear provides a list of stakeholders in production countries on the member hub which also lists our former auditors.

## Cancellation or rescheduling fees

The factory cannot cancel or postpone a Fair Wear audit or training, after the date has been planned. The factory must ask the member to contact Fair Wear in order to cancel or postpone the audit or training.

In the event that a member cancels or reschedules the audit/training up to one month prior to the planned audit date, the member will be invoiced 33% of the audit fee. In the event that a member cancels or reschedules the audit/training 10 or less workdays before the audit, the member will be invoiced 66% of the audit fee. Where a Force Majeure event is the cause for cancellation or rescheduling, the member will only be invoiced for the cost incurred in planning the audit/training at the time of cancellation or reschedule. Force Majeure event means an event, or a series of related events, that is outside the reasonable control of the party affected (including power failures, industrial disputes affecting any third party, changes to the law, disasters, explosions, fires, floods, riots, terrorist attacks and wars). The Brand Liaison and the Country Representative will enter into discussions with the member to determine if the cancellation or rescheduling was caused by a Force Majeure event.

# MEMBER LEARNING

A brand has the responsibility to stay updated and informed about human rights risks in the sourcing countries, about approaches how to improve the due diligence process to identify, prevent, mitigate the risks and to stay up to date about human rights developments.

Fair Wear offers learning opportunities addressing these issues using different channels such as webinars, seminars, general and in-company trainings. Costs for member learning stay the same in 2021 as in 2020.

## Fair Wear Member seminar

Fair Wear frequently organises two-day Fair Wear member seminars. These seminars are designed for members who are working on implementing the Fair Wear Code of Labour Practices in their supply chain. During the seminars, Fair Wear showcases its wide range of implementation tools, and shows how to best apply the Fair Wear Code of Labour Practices. The cost for a Fair Wear member seminar is € 510 for members and € 820 for prospective members. When a prospect member becomes member, the previous paid application fee of € 500 covers the cost of one person to attend the Fair Wear Member seminar.

FAIR WEAR Member seminar	Fee
Fair Wear Members	€ 525
Prospective members	€ 840

### *Training or workshop*

Fair Wear provides workshops and trainings when requested by members. Workshops and trainings are invoiced per half or full day. The cost for a full-day training is € 820.

Training or workshop	Fee
Half-day training session	€ 420
Full-day training session	€ 840

## WORKPLACE EDUCATION PROGRAMME

The Fair Wear Workplace Education Programme (WEP) aims to move companies beyond auditing and corrective action, and towards workplaces where issues are raised and resolved through open communication.

The WEP aims to provide factory managers and workers with the tools they need to start an open dialogue about issues and opportunities in the workplace and about how to improve working conditions in the factory. Increased awareness about labour standards, together with functioning grievance systems, can contribute to improve working conditions.

Fair Wear selects and trains local training teams. These training teams can be hired (for a supplementary fee) to perform your WEP trainings, saving you the cost and trouble of training your own team or finding external training organisations.

Fair Wear provides both general and country-specific modules. Fair Wear uses a flat fee system for the general and country-specific modules. The use of a flat fee system ensures predictability of the costs for Fair Wear WEPs as well as a more effective and timely invoicing system. The amounts are subject to yearly adjustment based on inflation rates. Significant changes to a module can also result in changes to the fee requested of which we will inform our members beforehand.

For more information how members are rewarded for implementing training and capacity building efforts, you can find the brand performance check guide on the member hub.

Please note that in 2022 we will implement new directions to the Workplace Education Programme as we are continuously working on improving the modules and refining our strategy. Fees are subject to change depending on the outcome of this.

### **CANCELLATION OR RESCHEDULING FEES**

The factory cannot cancel or postpone a Fair Wear training after the date has been planned. The factory must ask the member to contact Fair Wear in order to cancel or postpone the training.

If a member cancels or reschedules the training up to one month prior to the planned date, the member will be invoiced 33% of the fee. If a member cancels or reschedules the training 10 or less workdays before the date, the member will be invoiced 66% of the fee.

If the cause for cancellation or rescheduling is outside of the reasonable control of the member, the member will only be invoiced for the cost incurred in planning the training at the time of cancellation or reschedule (see the Fair Wear membership fees document for more information).

## GENERAL MODULES

### WEP Basic: Introduction to workplace awareness and grievance mechanisms

To support brands and factories in fulfilling their basic responsibility to inform workers about their rights and access to grievance systems, Fair Wear has designed the **WEP Basic: Introduction to workplace awareness and grievance mechanisms**. This module provides a basic introduction to the Fair Wear Code of Labour Practices as well as the Fair Wear complaints hotline and other grievance mechanisms. Management, supervisors and workers are trained separately in two-hour sessions. At least 10% of production workers must receive training in order to meet performance check requirements (indicator 3.3). This means that several worker training sessions might be needed, depending on the size of the factory.

The module is available in Bulgaria, China, Macedonia, Myanmar, Romania, Tunisia, Turkey and Vietnam.

In India, in regions *other than* Delhi/NCR, Bengaluru and Tirupur, Fair Wear provides an enhanced **WEP Basic plus GBV** module, which includes an extra focus on gender issues.

The following fees apply:

WEP Basic training module Introduction to workplace awareness and grievance mechanisms			
# Workers	Management session (2 hours)	Worker session (2 hours)	Fee 2022
0 – 50	1	1	€ 1.140
51 – 500	1	2	€ 1.280
501 – 1000	1	4	€ 1.510
1001 - 1800	1	6	€ 1.760
> 1801	Please contact your Brand Liaison for the required number of sessions and price details		

## Factory Guide: online tool

All factories supplying Fair Wear members can make use of the **Fair Wear Factory Guide**. This online training tool, designed for factory managers, explains Fair Wear's approach and gives them the information they need to enhance their collaboration with members on improving labour conditions in their factories.

The Factory Guide can be used—in conjunction with workers' training on the Fair Wear CoLP and grievance mechanism—to count for the Brand Performance Check. Ten per cent of the workers would need to be trained.

The tool is currently available in Bahasa Indonesian, English, Burmese, Turkish and Vietnamese. The Factory Guide is available on the Fair Wear website.

## COUNTRY-SPECIFIC MODULES

Fair Wear has designed several modules aimed at supporting brands and factories in tackling country-specific challenges.

### WEP Violence and harassment prevention

#### Bangladesh and India

Brands with suppliers in Bangladesh and India (Delhi/NCR, Bengaluru, Tirupur) can make use of the **WEP Violence and harassment prevention module**.

The training focuses on establishing and supporting workplace anti-harassment committees. Management, supervisors and workers are trained in separate five-hour sessions. If needed, Fair Wear facilitates an election for an anti-harassment committee. Following this, the members are then trained in a half-day session. During the next eighteen months, the Fair Wear trainers will assist in **six follow-up meetings** with the committee members to support them in the development and running of the anti-harassment committee. Suppliers must hire external members for the committee by the third follow-up meeting.

Before signing up for this module, please download and read the **WEPVH brand handbook**, which will guide you through this programme. It is located on the member hub in the WEP section. Members' efforts to conduct training and capacity building is evaluated in the brand performance check.

Thanks to funding by the Dutch Ministry of Foreign Affairs, the module is offered, subject to availability, at a reduced rate of € 1.850. Any additional costs will be covered by Fair Wear.

	Fee 2022
WEP Violence and harassment prevention module	€ 1.935

WEP Communication  
Myanmar and Vietnam

This four-and-half-day module—which is spread out over the course of 12 months—focuses on improving worker-management interaction by developing their communication skills, with an emphasis on collaborative problem-solving.

In this training, management, the general worker population and a small group of up to 30 worker volunteers or representatives (where applicable) will be trained, first in separate sessions, and then together. Then they will engage in dialogue exercises.

The first session (1.5 days) of training will focus on priorities for improvement and constructive engagement, as well as introducing dialogue exercises. The second session (1 day) of training will take place after several weeks, and will include more exercises on dialogue, interview skills, and other tools which could guide factory improvements. After this, there are three half-day follow-up sessions.

Fair Wear offer the course to suppliers in Myanmar and Vietnam. Fair Wear will no longer offer this training in Indonesia from 2022 onwards. However, members can directly reach out to our former trainers to conduct a training on the brands' request and terms. Please consult your brand liaison on counting the training towards indicator 4.4 before planning such a training with the factory.

Thanks to funding by the Dutch Ministry of Foreign Affairs the module will be offered, subject to availability, at a reduced rate in 2020.

Before signing up for this module, please download and read the **WEPC brand handbook**, which will guide you through this programme. It is located on the member hub in the WEP section.

The following fees apply:

	Fee 2022
WEP Communication module	€ 1.835

WEP Migrant Refugee training  
 Turkey

Fair Wear member brands sourcing from Turkey are currently facing additional risks related to large numbers of Syrian refugees that are being employed in the garment industry, often in conditions that would violate elements of the Fair Wear Code of Labour Practices.

Fair Wear members encountering Syrian refugee workers in their supply chain, or who would like to know more about the legal issues surrounding Syrian refugees, can now enrol their supplier in a WEP Basic module tailored to this specific situation. This module is available both for factories that have already participated in the WEP Basic or factories that have not yet received training.

Fair Wear will offer the training module in Arabic (for Syrian refugee workers) and Turkish. Where possible, trainers will facilitate an exchange of the two worker groups during the training.

The following fees apply:

<b>WEP Basic training module - Turkey</b>			
<b>Introduction to workplace awareness and grievance mechanisms and additional guidance</b>			
<b># Workers</b>	<b>Management session (2 hours)</b>	<b>Worker session (2 hours)</b>	<b>Fee 2022</b>
<b>0 – 50</b>	1	1	€ 1.115
<b>51 – 500</b>	1	2	€ 1.220
<b>501 – 1000</b>	1	4	€ 1.455
<b>More than 1000</b>	1	6	€ 1.690

WEP Factory Dialogue  
Turkey

As verification activities in Turkish factories often highlight a need for improved worker-management dialogue, Fair Wear has designed a specific module: WEP Communication – Turkey. This one-day module provides a basic introduction to effective communication as a tool for problem-solving. Management, supervisors and workers are trained in separate, two-hour sessions.

The following fees apply:

WEP Communication - Turkey			
# Workers	Management session (2 hours)	Worker session (2 hours)	Fee 2022
0 – 50	1	1	€ 1.115
51 – 500	1	2	€ 1.220
501 – 1000	1	4	€ 1.455
More than 1000	1	6	€ 1.690



*Your Fair Wear Brand Liaison can give you more information about the trainings. To schedule a training, please order through the Fair Wear information system*

*It is important to first to discuss and agree upon a possible training with factory management.*

*Invitations for each module and country as well as additional information on the WEP are available on the member login area of the Fair Wear website.*