



Asamblea General
General Assembly
Assemblée Générale

25.06.2020
09:00 - 16:00 GMT -5

SPP Global

Preliminary Guide IXth General Assembly 2020

SPP Global

June 1, 2020





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1 Presentation

- This document is the Preliminary Information Guide for the SPP Global IX General Assembly, to be held online on June 25, 2020, from 9:00 am to 4:00 pm. Admission will begin one hour before. Please reserve an extra half hour at the end of the meeting to extend the time established for the agenda if necessary.
- This document is exclusive to SPP Global Members.
- It is comprised mainly of the IX General Assembly Tentative Agenda and the 2019-2020 annual reports of the different bodies of SPP Global.
- The contents of this guide were approved by the SPP Global Board of Directors.

2 Tentative Agenda for IX GA

Schedule (GMT -5)	#	Decision	Topic
8:00	0		Connection to the Meeting Room
9:00	1		Welcome
9:15	2		Attendance Report
9:20	3		Updating governing bodies
9:25	4		Installation of the President and Secretary of the Ninth General Assembly
9:30	5		Rules of participation
9:40	6		SPP Global Current Associates (+Reporting Down)
9:50	7	I	IX GA Quorum Establishment
10:00	8		Formal Inauguration
10:05	9	II	SPP Global IX General Assembly Agenda
10:20	10	III	Annual Management Report (Board of Directors)
10:50	11	IV	Annual Financial Report (Board of Directors)
11:05	12	V	Annual Report of Standards and Procedures Committee (Standards and Procedures Committee)
11:25	13	VI	Report of the Non-Compliance Committee
11:40	14	VII	Annual Evaluation Report (Surveillance Committee)
12:00	15		<i>BREAK</i>
13:00	16	VIII	Brand and Image Report



Schedule (GMT -5)	#	Decision	Topic
13:20	17	IX	Agenda and Critical Route toward the X GA in Guatemala
13:35	18	X	Conclusions and Commitments IX GA
13:55	19	XI	Possible Adjustments to Internal Regulations and/or Statutes
14:10	20	XII	Call for candidates for vacant posts in bodies
14:40	21	XIII	Public Statement of the SPP Global IX GA
14:50	22	XIV	Defining date for X General Assembly in Guatemala
15:00	23	XV	General Affairs
15:20	24	XVI	SPP 2019 Awards Presentation
15:40	25		9th GA Evaluation Round
15:55	26		Closing Remarks
16:00	27		Closing
16:00	28		Extra time
16:30	28		Disconnection

3 Annual Management Report: Board of Directors-Executive Management

3.1 Narrative report

#	Status of 2019-2020 cycle	Plans for 2020- 2021 cycle
1	Promoting growth and building market for products of SPP Small Producers' Organizations	
1	A budget adjustment was made in order to strengthen the Marketing and Market Development Area of SPP Global in 2020 and thus have greater operational capacities in this area, which focuses on communication, promotion and sales.	<i>The recruitment process for the new Marketing and Market Development Head of SPP Global is expected to conclude in May.</i>
2	SPP Global's participation in 2 trade fairs was organized: Organic Biofach Nuremberg (DE) 2020; unfortunately the SCA Specialty Coffee Fair in the USA and Europe was cancelled due to the pandemic.	<i>The budget is being refocused on promotion and digital events, to attain greater coverage and attention to markets, producers and potential customers with fewer resources.</i>
3	We participated in press conferences and discussion panels at Biofach (Germany) in the annual conference of the Canadian Fair-Trade Platform (CFTN), as part of the promotion and positioning activities of the SPP.	<i>The organization of and/or participation in international virtual forums and conferences will be sought.</i>



4	Visits were made to existing and potential clients to follow up on market development processes in Europe. Solid progress has been made in establishing a strategic alliance with the French network of more than 30 organic and fair-trade companies, BIOPARTENAIRE . In the case of Canada, a tour of visits to potential key clients was prepared, which had to be cancelled due to the COVID-19 pandemic.	<i>New clients will be prospected through visits, dialogue, digital presentations and digital marketing.</i>
5	Several face-to-face and virtual meetings have been held with SPP France to renew the agreement for the promotion of SPP in France and for the implementation of the SPP Promotion Plan for Europe. Finally, it was agreed with SPP France that it will not participate in the implementation of the SPP Europe plan	<i>A new partnership agreement with SPP France is expected to be approved soon, and the strategy for promoting SPP Europe is being launched, for the time being, from SPP Global's headquarters.</i>
6	SPP Global's Support and Promotion Committee (CAP) developed a Commercial Promotion Plan in response to the new market realities, seeking greater internal and external investment and better positioning of SPP, by taking advantage of need to redesign the brand, logo and image.	<i>Commercial activities will be monitored by the Promotion Support Committee, in order to strengthen the image and positioning of SPP in the international market.</i>
7	Several SPP prices were set forth for new products (Rice, Date, Green Leaf) and other SPP prices are in the process of being defined to allow market entry (more than 10 new products produced by SPOs).	<i>A constant growth in the variety of SPP products is expected, for which new prices will be established, taking advantage of new procedures and methodologies to establish 'initial SPP prices'.</i>
2	<i>Strengthening of operational capacities of SPP Global and Nationals SPP:</i>	
#	<i>Status of 2019-2020 cycle</i>	<i>Plans for 2020- 2021 cycle</i>
1	Three budget scenarios were developed to address the issue of the COVID-19 pandemic. These main adjustments being to strengthen and protect the marketing area and, secondly, the Certification and Quality area.	<i>The budget and its implementation will be executed according to the income resulting from market developments.</i>
2	Progress has been made in establishing systematization in different areas , such as banks, invoicing of accounts receivable, certification, and a system was established to control results, activities, and outstanding items .	<i>A system of online products will be established in June, followed by a virtual marketplace to facilitate supply and demand for SPP products.</i>
3	SPP Global's Operations area has a new position of Editor, Translator and Trilingual Interpreter to strengthen the issue of immediate attention to the needs of the Operational Team.	<i>Development of new tools to facilitate translation into more languages, through online tools, increasing access to SPP information to more regions.</i>
2.1	<i>The digitalization of information on online platforms for certification, promotion and marketing</i>	
#	<i>Status of 2019-2020 cycle</i>	<i>Plans for 2020- 2021 cycle</i>
1	The second version of the D-SPP digital system (www.d-spp.org) was established, which makes it possible to maintain the information of the certification system with much greater accessibility and quality.	<i>A process for continuous improvement will remain with the aim of making the platform more efficient day by day</i>
2	A CRM system was implemented, i.e. a customer service management system . This system will allow us to follow up on the needs of our 'clients' (both producers and buyers), in order to facilitate trade and the development of supply chains, as well as to optimize the resolution of problems in the area of SPP certification.	<i>The aim is to carry out corrective and preventive maintenance of the platform in order to make it more efficient day by day</i>



3	Based on the review and evaluation of SPP Global's management system, an ERP (Enterprise Resource Planning) , was implemented. Currently the system is up and running and is used for most of the administrative functions, such as accounting, invoicing, projection.	<i>There is the intention to incorporate the certification module into this ERP to automate the entire certification process</i>
4	Most of the documents of the different working groups are hosted online and allow for horizontal collaboration and sharing of information with the members of the different SPP bodies	<i>We plan to advance in the creation of specific spaces so that the different SPP stakeholders have access to documents and information that are part of the decision-making processes</i>
3	<i>Construction and strengthening of local and product SPP platforms in origin and destination countries:</i>	
#	<i>Status of 2019-2020 cycle</i>	<i>Plans for 2020- 2021 cycle</i>
1	National assemblies were held in Guatemala, Colombia, Mexico and Peru . The objective was to make strategic adjustments in the SPP system that are being implemented as of the VII and VIII General Assemblies of SPP Global, to provide feedback on pending strategic issues and to define an Action Plan for each one of the countries. Other National Assemblies scheduled for Nicaragua, Guatemala, Honduras, and Ecuador had to be cancelled due to the pandemic.	<i>More meetings will be held, taking advantage of the greater ease of virtual meetings and assemblies</i>
2	Based on the decisions of the VII and VIII General Assembly, the consolidation of the national SPP networks was promoted without the need to sign agreements .	<i>The consolidation of the SPP in the different countries as national networks will be further encouraged by promoting virtual meetings in more countries.</i>
3	Considerable efforts have been made to renew the agreement with SPP France , with SPP France disagreeing with the decisions of the Seventh and Eighth Assemblies. In view of the difficulties, it was necessary to generate new proposals, making certain compromises, respecting the general mandate of the General Assembly of SPP Global .	<i>It is expected that in June 2020 clear agreements will be reached with SPP France to continue SPP's promotional activities in France, using part of the resources allocated by the General Assembly for promotional activities for Europe.</i>
4	Work has been done to develop the SPP Action Plan to generate an informal network of SPP stakeholders in Europe to Support the strategy for Europe , based on the agreements of the General Assembly. However, negotiations regarding its implementation with SPP France delayed the final implementation of the agreements, even though a recruitment process was initiated.	<i>The development and consolidation of SPP activities in Europe will continue to be promoted, using the budget allocated by the General Assembly.</i>
5	SPP Global has participated in the Steering Committee of the EQUITÉ2 program of Fair-Trade France, with funding from the French Cooperation, which has allowed SPP to strengthen its presence in the West African region. SPP Global made a complementary visit to different SPP SPOs and national SPO networks to promote the knowledge of the SPP and the future creation of national or regional SPP networks in Africa .	<i>The aim is to establish a more permanent presence in the West African region and thus strengthen the impact and participation in the SPP, including local advocacy.</i>
4	<i>To promote the added value of Small Producers' Organizations through the "SPP Global Contributions" promotion program:</i>	
#	<i>Status of 2019-2020 cycle</i>	<i>Plans for 2020- 2021 cycle</i>



1	The main axes of the Global Contributions have been given a more prominent place in the SPP promotional materials, as if they were the SPP Sustainable Development Goals , independently of the promotion of specific collaborative projects in these areas.	<i>Global Contributions will continue to be promoted as a contribution by small producers to a better world, all the more so since consumer awareness and sensitivity have increased since the COVID-19 pandemic</i>
2	There have been a series of meetings and internal dialogues with SPOs, Final Buyers and the Support and Promotion Committee to find mechanisms to make the Global Contribution Strategy an inherent part of the PPS promotion and financing system, beyond the optional participation in particular projects of some SPOs and FCs	<i>In the framework of the Critical Path to the X General Assembly, physical (Guatemala, June 2021, if the pandemic allows it) the internal discussion on how to integrate the concept of Global Contributions to the new SPP Strategic Plan in a more solid way than in the current Strategic Plan will continue to be promoted.</i>
5 (+8)	To position the Small Producers' Symbol not only as a label and an influence on public policies and related movements; the SPP as an alliance between small producers and solidarity stakeholders:	
#	Status of 2019-2020 cycle	Plans for 2020- 2021 cycle
1	SPP has been able to advance its political positioning through its participation and statements at the fair and conferences in Biofach, Germany and at the Annual Conference of the CFTN (Canadian Fair Trade Network) in Calgary, Canada, defending the interests of producers and SPP minimum prices in particular, increasing the prestige and recognition of SPP in the areas of fair trade, organic production and small producers of quality products in coffee, Cocoa and other products.	<i>As far as possible, the involvement of the SPP in these areas will be monitored.</i>
2	The participation of the SPP in the panel of dialogue with the European Union regarding the law and regulatory law for organic products in Europe , with a tentative introduction date of January 1, 2021, has underpinned the SPP's leadership in defending small producers in the preferential markets for organic products.	<i>As far as possible, the involvement of the SPP in these areas will be monitored.</i>
3	In and from the movement of organic producers and certifiers in Mexico and Latin America , there has been an impulse of the presence of the SPP in the local and international political scenarios, in front of governments and instances like IFOAM and the European Community	<i>As far as possible, the involvement of the SPP in these areas will be monitored.</i>
4	The SPP has started with its positioning as a key alternative to the problem of COVID through a series of publications that have had a good response in the market.	<i>We will seek to deepen the positioning of the SPP based on its differentiators and political vision consistent with the strategies that combat the causes and impacts of the pandemic.</i>
5	The first visit of SPP Global to the East African region after the certification of some SPP groups in this region has generated an interest and expectation , not only from the participating SPOs, but also from National Platforms of Fair Trade SPOs and even other fair trade initiatives (FLO, WFTO, FFL) that have subsequently sought to generate a collaboration with SPP.	<i>It is hoped that a project co-financed with French Cooperation can be consolidated to ensure a greater permanent presence of the SPP in the West African region.</i>
6	The SPP has taken the decision to allow a percentage of ingredients produced by small organic fair-trade producers in the North in their mixed products. In this way the SPP has shown to seek alliance and	<i>It is expected that in this new cycle the new rule will be applied to some products that have ingredients from both SPP producers and producers of wheat and other local products from the North, in particular France.</i>



	international solidarity among small producers from all countries.	
7	During this cycle, the SPP has taken various actions, by mandate of the General Assembly, to promote dialogue with producers in the North , in particular France, to review a possible alliance of these producers to influence markets under the umbrella of the SPP and pending final decisions of the SPP Global General Assembly. Although in February 2019 the company Ethiquable had decided not to wait for SPP and to promote the development of a local initiative, it was not until the end of 2019 that BIOCOOP gave up its interest in collaborating with SPP Global for a possible alliance in this area. Recently these two French companies launched the Organic Fair-Trade label in France, sharing its ownership with French small producer organizations.	<i>On the way to the X General Assembly, a dialogue will continue the possibility and eventual modality of incorporating small organic producers into the SPP scheme.</i>
8	A Strategic Alliance has been made with HEIFER INTERNATIONAL , a foundation that works in Support of small rural producer organizations in different parts of the world and particularly in the coffee sector. The alliance aims to carry out a joint education and awareness campaign on production costs and low marking prices , mainly directed to consumers of one of the most emblematic companies of the US coffee sector.	<i>The preparation and implementation of the education and awareness campaign for coffee consumers will be continued.</i>
6	<i>Optimization and integral revision of the normative and certification system:</i>	
#	<i>Status of 2019-2020 cycle</i>	<i>Plans for 2020- 2021 cycle</i>
1	The Certification and Quality Area has been strengthened by hiring a new Area Manager, an Assistant and a Price and Standards Projects Manager. On the other hand, the capacity to cover the different projects of the area has grown through collaborations with various universities , in particular those of Chapingo, Mexico (Certification Entities); Universidad Politécnica de Valencia, Spain (Cocoa); and Toulón (Revision of the Certification system).	<i>Partnerships will continue to be sought with various universities and continuity will be sought in current collaborations.</i>
2	The SPP Cost Format (for producers and SPOs) was improved and an initial draft of the methodology for the calculation of production costs in general was generated.	<i>The methodology for the calculation of Production Costs for the different SPP certified products will be adapted and improved, based on experience in Cocoa.</i>
3	The criteria for the SPP Price Definition Procedure were adjusted to facilitate the process, taking care that the direction of the process remains in the hands of the producers	<i>We will seek to improve the criteria for the Price Definition Procedure, according to the experience of new SPP products that are dynamically marketed.</i>
4	The filter for new applicants for SPP Certification/Registration was improved, through the establishment of specific criteria to give the Resolution of the Eligibility Process . Also, the requirement to review the organic certificate as part of the Period of Eligibility was included, to ensure that the interested party is the owner of its organic certificate.	<i>It is proposed to generate more and better filters in the "Eligibility Process". to ensure that new SPOs and Companies entering the PPS meet the PPS's Regulatory criteria and Statement of Principles and Values.</i>



5	The criteria in the environmental and labor chapters of the General Standard SPP and specific	<i>The new Environmental Chapter of the General Standard SPP (and Specific for Herbs and Crafts) will be developed and established, which will allow in the future to eliminate the mandatory requirement of organic certification, as agreed by the VII General Assembly.</i>
6	There is a progress of 85% in the project Comprehensive Review of the SPP System , which aims to review the current functioning of the SPP system and whether the current model of certification and promotion is the most appropriate according to the commercial expectations of the SPOs and SPP buyers.	<i>The review process of the SPP system will be further reviewed in order to arrive at an appropriate report to the Xth General Assembly in 2021</i>
7	It culminated in the revision of the production costs for the update of the Sustainable Price SPP of Cocoa	<i>The process of the full SPP sustainable price review for Cocoa based on price differentiation according to Cocoa quality will be completed</i>
8	Renewal of SPP certificate was facilitated for suspended and/or cancelled SPOs, provided that the reasons are due to economic issues or lack of market . (No need to apply as new entry for cancelled SPOs)	<i>Based on the experiences, the renewal criteria for SPOs suspended or cancelled by the Certification Entities should be improved, taking into account the current lack of market for SPP products, which sometimes prevents SPOs from renewing normally.</i>
9	The "Guidelines for Sharing the Registry with Small End Users " and evaluation criteria were modified to improve and facilitate the registration of small and micro enterprises in the SPP.	<i>Online tools will be developed to allow Certification Entities and SPP Global to have a greater guarantee of the traceability of the SPP product, without making access to SPP difficult for small-scale stakeholders</i>
10	QCS (USA) was authorized as an Authorized Certification Entity by SPP Global	<i>Greater service coverage should be guaranteed for SPP stakeholders and new applicants.</i>
11	Training was given to the Certification Entities informing them of the recent changes to the SPP standards and guidelines.	<i>This type of training will also be developed for all partners (SPOs and companies) so that they are informed about the changes and have a more direct communication with them.</i>
12	Communication with SPP stakeholders is strengthened through the creation of WhatsApp groups and virtual spaces to keep them abreast of what is happening in the SPP in terms of developing and reviewing rules, prices and procedures . In addition, participatory consultations have been organized so that partners can give their opinion on the implementation of new rules and criteria.	<i>It must be ensured that there is greater participation by SPP partners in all activities carried out (consultations, cost studies, etc.) and further strengthen direct communication with organizations and companies through awareness campaigns</i>
7	Capacity building for the sustainability of Small Producers' Organizations:	
#	Status of 2019-2020 cycle	Plans for 2020-2021 cycle
1	Progress made to review production costs in order to define sustainable SPP prices for some key products, such as Cocoa, Certification Entities, will allow small producers' organizations to cover much better the production costs of their members and also the costs of the activities of the organizations themselves, which in itself implies strengthening the management capacities of these small producers' organizations .	<i>The review of Certification Entities prices is in the first phase, the review of Cocoa prices is still in process to review the price differentiation by qualities</i>



2	The process of methodological development , in collaboration with universities in Mexico and Spain, for the calculation of production costs starts from the need for the sustainability of the life and economy of the families of small producers and their collective instruments, that is, the producers' organizations and their different tools and collective services. There is no better way to guarantee sustainability than through adequate coverage of the costs involved at all levels of production, processing and marketing .	<i>Contacts are being established with other universities to advance the development of methodologies to calculate sustainability for small organized production and its application in different products.</i>
3	Through advocacy on issues of European Community regulations (and eventually other geographical regions) with respect to safety restrictions (cadmium, glyphosate) and with respect to the regulation of organic certification, the role of the SPP as an advocacy manager and channel of relevant information for small producer organizations has been promoted.	<i>Regular feedback sessions are being scheduled with SPOs on regulatory issues, beginning immediately.</i>

3.2 Indicator Report

Strategic Objective	Indicator	Indicator (Strategic Plan)	Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference	Notes to Data
SO 1	CONSOLIDATION OF THE PARTICIPATION OF SPP PRODUCTS IN THE INTERNATIONAL AND DOMESTIC MARKETS		Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference	Notes to Data
	i1.1	Small Producers' Organizations certified and in force	107	121	13%	
	i1.2	Registered and Current SPP Final Buyers	19	22	16%	
	i1.3	Value of international purchases under SPP label by buyers	\$24,732,083.58	\$23,490,054.11	-5%	
	i1.3.1	SPP tranCAPtion volume in weight/units (new indicator)	-	-	6.6%	Estimate based on pro rata change in volume of major products.
	i1.4	Value of international sales under SPP label by producers	\$29,678,500.30	\$28,188,064.93	-5%	
	i1.5	SPP sales volume in domestic markets with finished product	\$1,500,000.00	\$1,600,000.00	7%	In 2020 there will be concrete data from new SPO reports
	i1.6	Percentage of SPP certified SPOs selling under SPP	57%	62%	9%	
	i1.7	SPO Average % sales SPP of total sales	30%	32%	7%	
	i1.8	Average sales price of SPP products (Ref. previous year, from 2018)	100%	95%	-5%	
i1.9	The existence of a system to monitor and promote SPP products sold by producers under their own brands in their domestic markets.	25%	75%	200%	The reporting system is in place, but there is still a low level of compliance	
i1.10	Number of SPO product types offered in the markets	53	67	26%	The herbs were counted as one product	
SO 2	QUALITY AND RECOGNITION OF THE SPP SYSTEM		Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference	Notes to Data
	i2.1	Level of satisfaction of SPP stakeholders with the Certification and Registration system	75%	85%	13%	



	i2.2	Elimination of desertions due to direct and indirect costs of the SPP system	8%	1%	-90%	Just a defection. If there were 6 inactivations, 5% of the total (suspending certification, maintaining membership)
	i2.3	Timeliness of certificate and registration renewal processes	75%	80%	7%	
	i2.4	Level of compliance of the Certification Entities with respect to procedures, based on evaluations	80%	80%	0%	
	i2.5	Simplifying and optimizing the transparency and usefulness of regulatory and certification information through digital systems	75%	85%	13%	
	i2.6	Number of national or regional civil systems of external recognition of fair-trade certification systems that recognize the SPP as a high-quality system	4	6	50%	CEF, FWP, OXFAM, FFH, CECJ, CFTN
	i2.7	Number of countries where official government accreditation is obtained in countries or regions where there is a strong obligation or need to do so (France, Ecuador, Brazil, possibly others)	2	4	100%	Ecuador, France, Mexico, Germany
	i2.8	Possible development of criteria and optional surcharges for participation in SPP Global Contribution Programs (if necessary)	0%	15%	15%	
	i2.9	Comprehensive review of the SPP Certification, Registration and Authorization system	25%	85%	240%	Final report due
	RECOGNITION OF THE ADDED VALUE OF THE WORK OF THE OPS AND THEIR CONTRIBUTIONS TO THE GLOBALIZED WORLD			Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference
SO 3	i3.1	Integral communication of the work and impacts of each of the different SPOs and the Final Buyers of the SPP	25%	35%	40%	
	i3.2	Promotion of the added value and local and global ('global') impact of the work of the SPP SPOs through 'SPP Contributions' programmes as a central tool for the educational promotion of the work of SPP stakeholders in the fields of 1) women's participation and gender; 2) climate change mitigation; 3) high quality craftsmanship of products; 4) curbing migration; 5) youth participation; 6) food sovereignty	25%	40%	60%	
	i3.3	Timely communication of SPP news and information and relevant issues to different stakeholders through newsletters, website, and social networks	70%	75%	7%	
	i3.4	Information and materials of <i>SPP Global</i> and the SPP system available and updated (page, courses, etc.)	72%	78%	8%	
	i3.5	International positioning of the SPP with respect to fair trade, organic, cooperative, peasant and other local and international movements in line with SPP principles and values	70%	80%	14%	
	i3.6	Permanent impact of SPP on countries of origin and destination on national governments and multilateral organizations	25%	35%	40%	
	STRENGTHENING THE SUSTAINABILITY OF SMALL PRODUCERS' ORGANIZATIONS			Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference
SO 4	i4.1	Participatively design and implement the Terms of Reference for the creation of a Capacity Building Support Area in <i>SPP Global</i> in collaboration with local SPP platforms	0%	0%	0%	
	i4.2	Implement a voluntary system for monitoring the organizational and business capacities of SPP Small Producers' Organizations	0%	0%	0%	
	i4.3	To increase the capacity of small producers' organizations participating in the program	0%	0%	0%	



GLOBAL SPP PARTICIPATORY INTERNAL ORGANIZATIONAL FUNCTIONING		Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference	Notes to Data	
SO 5	i5.1	Evaluation, Monitoring and Participatory Planning	75%	85%	13%	
	i5.2	International Institutional and Organizational Performance <i>SPP Global</i>	85%	80%	0%	
	i5.3.1	Establishment and Consolidation of SPP National Platforms	5	5	0%	
	i5.3.2	Establishment and Consolidation of SPP Regional Platforms	0	25%	25%	
	i5.4	Financial, Technical, Political Agreements and Strategic Alliances	2	3	50%	
ADMINISTRATIVE, FINANCIAL AND LEGAL EFFECTIVENESS AND EFFICIENCY OF GLOBAL SPP AND REGIONAL SPP PLATFORMS		Achievements 2018 (31/12)	2019 Achievements (31/12)	Difference	Notes to Data	
SO 6	i6.1	Adequate and transparent administration of resources	90%	100%	11%	
	i6.2	Adequate operational capacity of the operational team in the different work areas foreseen in the Strategic Plan	65%	75%	15%	
	i6.3	International coverage and updating of SPP trademark rights	75%	75%	0%	
	i6.4	Self-financing and Financial Sustainability	100%	100%	0%	

4 SPP Global Annual Financial Report

4.1 Audit Opinion

2019 Audit Opinion Report Opinion of the independent auditors To the General Assembly of Members of SMALL PRODUCERS SYMBOL SPP GLOBAL, A.C.

Opinion.

We have audited the accompanying financial statements of **SMALL PRODUCERS' SYMBOL GLOBAL, A.C.** (the Association), which comprise the statement of financial situation as of December 31, 2019, and the statement of activities and cash flows for the year ended December 31, 2019, and the notes to the financial statements, which include a summary of important accounting policies.

In our opinion, the accompanying financial statements reasonably present, in all material respects, SÍMBOLO DE PEQUEÑOS PRODUCTORES GLOBAL, A.C.'s financial situation, as of December 31, 2019, and its statement of operations and cash flows for said year, in conformity with Mexican Financial Reporting Standards (NIF).

We conducted our audit in accordance with International Standards on Auditing (NIA). Our responsibilities in accordance with those standards are described below in the section on Auditor's Responsibilities Relating to the Audit of Financial Statements in this report. We are independent from the Association in accordance with the provisions of the Professional Ethics Code issued by the Mexican Institute of Public Accountants. (Professional Ethics Code), together with the ethical requirements applicable to our audits of the financial statements in Mexico, and we have performed our other ethical responsibilities in accordance with those ethical requirements. We believe that the audit evidence we have obtained provides a sufficient and appropriate basis for our opinion.

Emphasis paragraph



As mentioned in note 6, the Association has concentrated most of its revenues with a single client (Ethiquable), without a formalized relationship through a contract. During fiscal year 2019, 61% of revenues were generated with this client. These circumstances generate uncertainty about the Association's ability to continue operating as a functioning business.

OFTON & ASOCIADOS, S.C.

L.C.C. Raymundo Del Rio Sanchez.
Professional License No. 1466433.
Mexico City

4.2 Financial Statements 2019: Statement of Activities

Status of Activities As of December 31, 2019 (USD)

Concept	Total	%
SPP Global Memberships	30,358.22	6.3%
Annual sales quota under SPP	1,321.99	0.3%
SPP CF Membership	1,021.11	0.2%
Usage fees (1)	205,481.53	42.8%
Usage fees (2)	171,195.89	35.7%
Certifiers	23,377.45	4.9%
Course and training fees	-	0.0%
Sponsorships and Donations	16,785.47	3.5%
Application fees for new SPO members	4,192.16	0.9%
Application fees for new buying members	664.58	0.1%
Other income	21,523.31	4.5%
Exchange Rate Gain	3,926.78	0.8%
Total Income	479,848.50	100%
<u>EXPENSES</u>		
<u>Human Resources and Professional Services</u>	<u>222,102.57</u>	<u>51%</u>
Human Resources	142,221.35	33%
Professional Services	79,881.22	18%
<u>SPP Global Operational Expenses</u>	<u>24,311.74</u>	<u>6%</u>
Rent Central Office	13,059.79	3.0%
Diverse Services	849.10	0.2%
Local Travelers	1,757.81	0.4%
Telephone and Internet	2,789.31	0.6%
Office supplies	1,393.60	0.3%
Security	813.33	0.2%
Web Services	3,648.80	0.8%



Memberships	-	0.0%
<u>Depreciation of Fixed Assets</u>	<u>2,275.30</u>	<u>0.5%</u>
Depreciation Computer Eq.	1,926.37	0.4%
Office Eq Depreciation	348.93	0.1%
<u>Promotion</u>	<u>4,549.45</u>	<u>1.0%</u>
Promotional materials	4,549.45	1%
<u>Participation in international fairs</u>	<u>106,231.51</u>	<u>24.5%</u>
BIOFACH	33,074.54	7.6%
SCAA	18,185.49	4%
STUTTGART	3,615.92	1%
Other international events	25,923.85	6%
Commercial visits and tours	25,431.71	6%
<u>SPP Global Organization</u>	<u>17,355.28</u>	<u>4%</u>
<u>Regional Workshops</u>	12,748.22	3%
General Meeting	4,607.06	1%
National Representations	-	0%
<u>Special Projects</u>	<u>1,939.49</u>	<u>0%</u>
Certification and Quality	1,939.49	0%
<u>Financial Cost</u>	<u>54,715.41</u>	<u>13%</u>
Bank fees and other financial costs	30,501.02	7%
Exchange Loss	24,214.39	6%
Total expenditure	433,480.75	100%
	-	
Change in book equity	46,367.75	

4.3 Financial Statements 2019: Statement of Financial Position

Statement of Financial Position As of December 31, 2019 (USD)

Asset	
WORKING CAPITAL:	
Cash and cash equivalents	86,660.44
Accounts Receivable	25,807.60
Taxes for	11,823.27
Taxes to be credited	898.49
Total Current Assets	125,189.79
NONCURRENT ASSETS:	



Furniture and computer equipment	5,957.65
Guarantee deposits	-
Non-Current Assets	5,957.65
Total Assets	<u>131,147.45</u>
Liabilities and Assets	
SHORT-TERM LIABILITIES	-
Accounts payable and other accrued expenses	15,846.93
Advance payment from donors and subscribers	484.83
Taxes to be paid	15,497.57
Sum of short-term liabilities	31,829.33
Total Liabilities	31,829.33
HERITAGE:	-
Unrestricted	99,318.12
Sum Heritage	99,318.12
Total Liabilities and Equity	<u>131,147.45</u>

4.4 NATIONAL SPP FUNDS 2019-2020

NATIONAL SPP FUNDS 2019-2020

USD

As of May 15, 2020

Country of Origin	2019			2020			2019-2020
	Annual Volume Membership Fee	National Funding Contribution by SPP Global	Total National Funds 2019	Annual Volume Membership Fee	National Funding Contribution by SPP Global	Total National Funds 2020	Total Volume Fee 2019-2020
Bolivia				13.00	13.00	26.00	26.00
Colombia				450.00	450.00	900.00	900.00
Ecuador				450.00	450.00	900.00	900.00
El Salvador						0.00	0.00
Guatemala				1,583.36	1,583.36	3,166.72	3,166.72
Haiti				881.25	881.25	1,762.50	1,762.50
Honduras				978.00	978.00	1,956.00	1,956.00
Mexico	1,209.98	1,209.98	2,419.96	1,884.50	1,884.50	3,769.00	6,188.96



Country of Origin	2019			2020			2019-2020
	Annual Volume Membership Fee	National Funding Contribution by SPP Global	Total National Funds 2019	Annual Volume Membership Fee	National Funding Contribution by SPP Global	Total National Funds 2020	Total Volume Fee 2019-2020
Nicaragua				380.40	380.40	760.80	760.80
Paraguay				505.00	505.00	1,010.00	1,010.00
Peru				914.12	914.12	1,828.24	1,828.24
Burkina Faso						0.00	0.00
Ivory Coast						0.00	0.00
Ethiopia						0.00	0.00
Madagascar				900.52	900.52	1,801.04	1,801.04
DR Congo						0.00	0.00
Tunisia						0.00	0.00
Cambodia	64.66	64.66	129.32	64.35	64.35	128.70	258.02
India						0.00	0.00
Indonesia			0.00	28.00	28.00	56.00	56.00
Total	1,274.64	1,274.64	2,549.28	9,032.50	9,032.50	18,039.00	20,588.28

4.5 REGIONAL SPP REPRESENTATION FUNDS

REGIONAL SPP REPRESENTATION FUNDS

USD

As of March 31, 2020

REGIONAL SPP REPRESENTATIONS	AMOUNT 2019 (USD)	AMOUNT 2020 (USD)	TOTAL 2019-2020
SPP Europe	19,796.32	10162.16	29,958.48
SPP North America	9,898.16	5081.08	14,979.24
SPP Latin America/Caribbean	4,949.08	2540.54	7,489.62
SPP Global Africa	3,299.39	1693.69	4,993.08
SPP Global Asia	3,299.39	1693.69	4,993.08
Total	41,242.34	21,171.16	62,413.50



5 Annual Report CNP: Standards and Procedures Committee

5.1 PRESENTATION

- This document is the annual activity report of the *SPP Global* Standards and Procedures Committee for the period 2019-2020.
- The document was approved by the Chair (Chairman and Vice-Chairman) of the Committee.

5.2 MEMBERSHIP

- The current composition of the Standards and Procedures Committee, based on the aSPOintments made during the VII *SPP Global* face to face General Assembly, and its updates is as follows:

#	NAME	POSITION	STAKEHOLDER REPRESENTATION	PRODUCT(S) REPRESENTATION	ORGANIZATION	COUNTRY	HOME PERIOD	END OF PERIOD	# PERIOD
1	Yuridia Pillimué	President	OPP	Coffee	PEACE FUND	Colombia	26/07/2018	22/06/2021	1
2	Luis Gonzaga	Vice-President	OPP	Coffee	GLOBAL COFFEE	Colombia	26/07/2018	22/06/2021	2
3	Leonidas Jimenez	First Member	OPP	Fruits	BANAFRU-COOP	Colombia	26/07/2018	22/06/2021	2
4	Sandra Mutt	Second Vocal	OPP	Miscellaneous	COPRO-BICH	Ecuador	31/01/2019	22/06/2021	2
5	Luis Dario Ruiz	Third Member	OPP	Panela & Sugar	MANDUVIRÁ	Paraguay	31/01/2019	22/06/2021	1
6	Jeremiah Huete	Fourth Vocal	OPP	Cocoa	CACAONICA	Nicaragua	16/05/2019	22/06/2021	1
7	Nathalie Vaquant	Member	Final buyers	Final Buyers Europe	BIOCOOP	France	26/07/2018	22/06/2021	2
8	Hugo Valdes	Member	Allied Organizations	Allied Organizations	CSF	Costa Rica	26/07/2018	22/06/2021	2
9	Nelson Melo	Observer	Board of Directors	CD	ORGANIC	Colombia	26/07/2018	22/06/2021	1
	<i>Pending</i>	<i>Member</i>	<i>Final buyers</i>	<i>Final Buyers North America</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
	<i>Pending</i>	<i>Observer</i>	<i>Sector-Consumers</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
#	NAME	POSITION	ACTOR REPRESENTATION	PRODUCT(S) REPRESENTATION	ORGANIZATION	COUNTRY	HOME PERIOD	END OF PERIOD	# PERIOD
1	Yuridia Pillimué	President	SPO	Coffee	PEACE FUND	Colombia	26/07/2018	22/06/2021	1
2	Luis Gonzaga	Vice-President	SPO	Coffee	GLOBAL COFFEE	Colombia	26/07/2018	22/06/2021	2
3	Leonidas Jimenez	First Member	SPO	Fruits	BANAFRU-COOP	Colombia	26/07/2018	22/06/2021	2
4	Sandra Mutt	Second Vocal	SPO	Miscellaneous	COPRO-BICH	Ecuador	31/01/2019	22/06/2021	2



5	Luis Dario Ruiz	Third Member	SPO	Panela & Sugar	MANDUVIRÁ	Paraguay	31/01/2019	22/06/2021	1
6	Jeremiah Huete	Fourth Vocal	SPO	Cocoa	CACAONICA	Nicaragua	16/05/2019	22/06/2021	1
7	Nathalie Vaquant	Member	End buyers	End Buyers Europe	BIOCOOP	France	26/07/2018	22/06/2021	2
8	Hugo Valdes	Member	Allied Organizations	Allied Organizations	CSF	Costa Rica	26/07/2018	22/06/2021	2
9	Nelson Melo	Observer	Board of Directors	CD	ORGANIC	Colombia	26/07/2018	22/06/2021	1
	<i>Pending</i>	<i>Member</i>	<i>End buyers</i>	<i>Final Buyers North America</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
	<i>Pending</i>	<i>Observer</i>	<i>Sector-Consumers</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>

- Updates made according to Internal Regulations, are:
 - Sandra Chucho (second member) replaced Alexandra Balla (former President) as representative of COPROBICH
 - Luis Darío Ruiz (third member) was subsequently aSPOinted to the General Assembly, as there were no candidates for the Panela & Sugar sector during this meeting.
 - Jeremías Huete (fourth member) replaced Humberto Jarquín (former Vice President) as representative of Cacaonica.
- Pending updates, despite the completion of the respective calls, are
 - The North American Final Buyers's representative
 - The representative of the Consumer Sector

5.3 2019 - 2020 PERIOD ACTIVITIES (Post VIII GA)

1. Ordinary CNP meeting on September 19, 2019
2. Ordinary CNP meeting on 21 and 27 November 2019
3. Ordinary CNP meeting on January 16, 2020
4. Ordinary CNP meeting on March 19, 2020
5. Ordinary CNP meeting on 21 May 2020.

5.4 2019 - 2020 PERIOD RESULTS (Post VIII GA)

1. The new Update Margin was approved to prepare new price proposals, as part of the SPP Global Price Definition Procedure.
2. The new policy of rounding off each of the components of the SPP Sustainable Price to whole numbers was approved, to be carried out at the time of preparing the different proposals in the corresponding Working Groups.
3. It was concluded with the cost study for the Update of the Sustainable Price of Panela and Sugar and the increase of the Sustainable Price for Panela SPP from US \$ 1,290 to US \$ 1,790.0 per ton was approved. Likewise, the increase in the Sustainable Price for Sugar, from US \$ 870 to US \$ 1,150



dollars per ton was approved. The approved price was recently revised again, based on the process of attending a request for a revision of the new SPP price for Panela.

4. Several adjustments were approved to the procedure for the Issuance, Modification and Application of Certificates and Records of Compliance, to facilitate the process to expand the scope of SPP records for companies.
5. The Work Plan to update and renew the Environmental Chapter of the SPP General Standard specific to Handicrafts was approved, including the list of Prohibited Materials of SPP Global.
6. The new SPP Sustainable Price for wet-shelled rice was approved at US \$458 per ton.
7. The Procedure for the Definition of Standards and Procedures was adjusted so that the units of measure of the SPP Sustainable Price together with its components (Minimum Sustainable Price, Organic Recognition and Incentive) are established in principle in tons (t) and in US dollars (US \$) as the monetary unit, subject to extraordinary reasons for changes in the units of measure.
8. The Procedure for the Definition of Standards and Procedures was adjusted so that in the case of criteria that are established taking into account information from only one Small Producer Organization, they are subject to review when information from a possible new actor justifies it.
9. The SPP Sustainable Price for Green Leaf Tea was approved at US\$ 1,030 per ton.
10. The List of Specific Parameters was adjusted by adding the unit of production parameter for chestnut harvesting in Peru.
11. The updated Work Plan for the Study of Coffee Production Costs was approved.
12. The Work Plan for the Study of Production Costs of Honey was approved.
13. The Production Cost Study for Cocoa was completed and the increase in the SPP Sustainable Price for Cocoa from US\$3,200 to US\$3,830 per ton was initially approved. However, this price was not ratified by the SPP Global Board of Directors at the request of an SPP buyer, so approval of a final price is pending, subject to review by the Cocoa Working Group.
14. Changes were approved in the Certification and Registration Procedure to facilitate the annual evaluation of small companies, which have few SPP business transactions per year.
15. New criteria of the SPP General Standard were approved to define that Small Producers' Organizations must own their Organic Certificate and to prohibit the conclusion of exclusive contracts between Small Producers' Organizations and Final Buyers.
16. Several adjustments to the Eligibility Period Procedure were approved, to ensure that reports and resolutions for this period are properly prepared and Supported.
17. The new procedure to define non-principal products prices was adopted, seeking to facilitate the establishment of new initial prices.
18. The new SPP Price List Format was approved, adding the SPP Total Minimum Sustainable Price column representing the sum of the 3 components: Minimum Sustainable Price, Organic Recognition, and Incentive.
19. Criteria are in the process of being approved for¹ a finished product that uses ingredients from northern producers to make use of SPS. These standards set the minimum percentage of SPP certified

¹ Topics indicated as 'In process of approval' are on the agenda of the extraordinary meeting of 11 June 2020 and already have concrete proposals.



ingredients and the minimum percentage of ingredients from small northern producers for finished products to be sold under SPP

20. The list of ingredients that are allowed or excluded in the production of small producers in the North is in the process of being approved².
21. The criteria for setting minimum time frames for price reviews that have recently been approved are in the process of being approved.
22. Time frames and procedures for suspending or canceling those members who do not apply for renewal of the Certificate/Registration in a timely manner are in the process of being approved.
23. The guidelines for granting certification to small groups of producers within a Small Farmers' Organization are in the process of being approved, either because they only want to certify one product or because they will only certify the group that has organic certification.
24. SPP Global's criteria for issuing the Period of Eligibility resolution are in the process of being approved.
25. Guidelines for the application of criterion 4.7.1 of the SPP General Standard, which establishes the need for Small Producers' Organizations to have an Organic Certificate in order to be able to market under the SPS, are in the process of being approved.

5.5 PROGRESS AND OPERATION REPORT

1. The functioning of the CNP has improved considerably from the participation of its members in the processes of approval of the agenda and in the review and approval of the Minutes in a timely manner.
2. The necessary quorum was reached at the last CNP meetings.
3. Some members of the Committee had not met the minimum attendance requirement and had therefore been brought to its attention.
4. The Cocoa cost collection process was completed and the second phase of the study to differentiate Cocoa prices according to bean quality has been initiated as suggested by the Board.
5. The Work Plan was approved and the "Coffee Cost Studies" project was initiated. A general cost format has been developed and a guide for the collection of costs and their basic analysis has been issued.
6. The Work Plan was approved and started with the Study of Honey Costs, as well as a feasibility study of honey production of the different Small Producers' Organizations that have this product. A general cost form has been developed so far.
7. In the case of Panela and Cocoa, processes and results to define SPP prices have been objected by some stakeholders after the approval in the main instances, which generates a situation of instability.

5.6 CONCLUSIONS

1. It is important to develop mechanisms to encourage and facilitate the active participation of all SPP Global members in the decision-making processes.
2. It is key to improve the broad communication of the agreements made in the different decision-making bodies, as well as the constant reporting of the main changes made to the regulatory documents of the SPP System.

² Topics indicated as 'In process of approval' are on the agenda of the extraordinary meeting of 11 June 2020 and already have concrete proposals.



5.7 RECOMMENDATIONS TO THE CD AND GA

1. It is recommended that a specific institutional policy be formulated with respect to the relationship between production costs, market trends and SPP minimum prices, in order to ensure the continuity and permanence of the agreements reached by the various Working Groups and decision-making bodies.
2. It is recommended to review the level of attendance of the different members of the Standards and Procedures Committee to eventually take the relevant decisions, within the framework of the Rules of Procedure.

6 Annual Report CV: Surveillance Committee

6.1 Composition of the Surveillance Committee

Name	Position	Representation	Organization
Leoncio Quiñones	Chair (SUSPENDED)	Small Producers' Organizations	FONMSOEAM
Florent Gout	Member	Buyers	CAFÉ ESPERANZA
Philip Gurdian	Member	Allied Agencies	COOPERATIVE COFFEES

6.2 Annual Report Formulation Process

1. The members of the *SPP Global CV* participate as **observers** in the Board meetings, and the CV **President** has the greatest responsibility for attendance, in accordance with the Terms of Reference of this committee.
2. An annual meeting of the Surveillance Committee was held on 14 May 2020 to evaluate the 2018 - 2019 period of *SPP Global*. The meeting had the required quorum and was held for the purpose of formulating this annual report.
3. The main topics on the agenda of this meeting were:
 - a. **Progress on** recommendations made to the Eighth General Assembly in 2019
 - b. **Analysis of** the functioning and results of SPP Global in the period 2019-2020
 - c. **Recommendations** to the IX General Assembly of SPP Global
4. This annual report was unanimously approved by two of its three members based on conclusions and agreements resulting from the 14 and 26 May 2020 meetings.

6.3 Recommendations to the VII General Assembly of SPP Global

Recommendation CV 2019: VIII General Assembly	Advances
1. SPP Global has gradually strengthened the political leadership of SPP as the strongest global political voice of organized small producers, looking beyond the commercial competition in the markets.	<ul style="list-style-type: none"> ▪ Participation in Biofach with press conference ▪ Participation in the IFOAM-European Community forum at Biofach ▪ Participation in the Mexican Government's commission for the promotion of organic production.



<p>Recommendation CV 2019: VIII General Assembly</p>	<p>Advances</p>
	<ul style="list-style-type: none"> ▪ Organizing a forum on Fair Trade and power relations and small producers at the CFTN Fair Trade Congress in Calgary, Canada
<p>2. SPP Global must expand and strengthen alliances with different movements and instances, as established in the VII General Assembly (Peasant, indigenous, afro, organic, ecological, fair trade, solidarity economy, cooperativism, etc.)</p>	<ul style="list-style-type: none"> ▪ The relationship with Fair Trade France was strengthened. ▪ Limited contacts have been maintained with the FTAO ▪ Relations with the organization of the International Fair-Trade Academic Forum. ▪ Participation in some meetings of Cities/World Social Forum for the Transformative Economy
<p>3. A strong call is made to representatives of the small producers' organizations to deepen their understanding of the importance of the SPP as the main movement representing the struggle of the small producers and to reciprocate with their faithful and timely assistance and participation in all levels of decision-making.</p>	<ul style="list-style-type: none"> ▪ Partial compliance, requires continuity.
<p>4. SPP leadership must always be exercised through an active, constructive and positive, exemplary positioning, without direct attacks, without provoking or responding in a confrontational manner to provocations against people, instances or organizations of the different related movements that have positions different from the SPP.</p>	<ul style="list-style-type: none"> ▪ Fulfilled, positive alliances have been sought, with the fair-trade movement.
<p>5. It is important for SPP Global to define more precisely its position on fair trade to avoid differences in interpretation of the formal position.</p>	<ul style="list-style-type: none"> ▪ The theme of promoting Fair Trade has been maintained as one of the axes. ▪ Greater precision is lacking, perhaps differentiated policies by country.
<p>6. The strengthening of the local (or regional) structures of the SPP is required. It is necessary that these structures be consolidated under the common denominator of the general structure of SPP Global and its instances, under the leadership of its General Assembly. At the same time, these local structures must have a strong participation of local stakeholders, such as the National Assemblies of Small Producers' Organizations in the countries of production.</p>	<ul style="list-style-type: none"> ▪ Extensive work has been done on this issue, with limited results, due to financial constraints. ▪ In the case of Europe, the long process of dialogue with SPP France has slowed down the timely implementation of actions. ▪ In case of SPP France, the inter-institutional relationship is still in the process of being renegotiated, after the refusal to accept SPP Global's request to have 50% of the voting rights in its assembly. ▪ Currently, the financial perspectives and limitations on physical visits have made it necessary to adjust the strategy.
<p>7. SPP Global must carry out an analysis of the functioning of its certification system in terms of costs to ensure</p>	<ul style="list-style-type: none"> ▪ The level of control of the Certification Entities is being increased.



<p>Recommendation CV 2019: VIII General Assembly</p>	<p>Advances</p>
<p>accessibility for producer organizations and small businesses.</p>	<ul style="list-style-type: none"> ▪ There have been no major complaints about the costs of certification. ▪ In cases of discrepancies in quotations, SPP Global has been able to intervene positively.
<p>8. To define the adjustment to the SPP logo in a short time, to guarantee a clear differentiation with the CLAC logo.</p>	<ul style="list-style-type: none"> ▪ The registration process of the new logo had several setbacks, so a new definition process must be started. ▪ The Board of Directors opted for the priority use of the monochromatic version in the institutional promotion of the SPP, in combination with the full name: "Small Producers' Symbol". ▪ I would have to define if this preferential use is extended to the use in packaging, as a temporary measure, to avoid a dispersion in the positioning of the brand.
<p>9. It would be convenient for the VC to hold a virtual meeting with the President of the NPC before holding its annual evaluation meeting, to have a complete picture of the functioning of SPP Global.</p>	<ul style="list-style-type: none"> ▪ To be carried out before the approval of the Annual Report. ▪ The annual report of the CNP was reviewed, as well as that of the CI (Dissents Committee).
<p>10. The following practical recommendations are made to improve the functioning of the different decision-making bodies, which, where appropriate, should be considered in the corresponding Terms of Reference or Rules of Operation of each body:</p>	
<p>a. To establish the dates of meetings annually and convene them digitally for the entire year.</p>	<ul style="list-style-type: none"> ▪ Produced
<p>b. To establish stricter criteria to moderate meetings to ensure adherence to agendas, by defining more precise responsibilities and powers of the person in charge of moderation.</p>	<ul style="list-style-type: none"> ▪ Pending
<p>c. Additional meetings should be avoided as much as possible because the agenda has not been covered. This means limiting the space on the agenda to information issues that are strictly relevant to the analysis and giving priority to strategic decision-making.</p>	<ul style="list-style-type: none"> ▪ A series of complementary meetings continue to be held on the CD. ▪ Regulations will have to be strengthened to prevent this from happening (see point b above)
<p>d. To set a clear limit for establishing a quorum and establish how long people can still enter the meeting.</p>	<ul style="list-style-type: none"> ▪ However, a significant number of the CD meetings are held without a quorum, so agreement proposals must be submitted to the plenary Council for approval.
<p>e. To continue applying the rules of procedure and terms of reference strictly in the event of multiple absences. Letters of warning in case of non-compliance must be signed by the president of the body in question.</p>	<ul style="list-style-type: none"> ▪ There have been calls for attention. ▪ Notification letters are still to be delivered. ▪ Some members of the Council have fallen below their minimum attendance quota, however, priority has been given to continuity



Recommendation CV 2019: VIII General Assembly	Advances
	and emphasis on attendance rather than to membership decline.
f. To define special meeting dates using digital systems such as Doodle so that no effective time is lost during the meeting.	<ul style="list-style-type: none"> ▪ In practice, meeting attendees define the dates of new meetings, looking for a greater coincidence, especially when it comes to meetings on close dates.
g. To establish and/or expand a platform for the management of documents, minutes, regulations, documents, such as Google Drive or Dropbox, for the different bodies and the operational team of SPP Global.	<ul style="list-style-type: none"> ▪ Accomplished. All Board of Directors and Surveillance Board meeting documents are available on Google Drive.
h. The transfer of information and experience between chairs of SPP Global's governing bodies must be guaranteed as part of the process of handing over and receiving functions.	<ul style="list-style-type: none"> ▪ Pending, when the management period ends, in the year 2021.
i. Organizations that make a change in representation to any SPP Global governing body or committee must be responsible for the proper transfer of information and expertise between the outgoing and incoming person.	<ul style="list-style-type: none"> ▪ It has been done at the recommendation level. ▪ Apparently there have been no problems for this reason in the recent cycle.

6.4 Current analysis

1. The positioning of the SPP as a Network of Small Producers' Organizations continues to be consolidated, in compliance with the agreements of the VIII General Assembly of 2018. The political leadership of the SPP in the Fair-Trade movement, including companies and the public, has improved considerably. SPP has positioned itself as a more authentic and pure fair trade.
2. Progress has been made in terms of credibility and acceptance as one of the main Fair-Trade labels in the European and North American markets. Even in producer countries in the South, SPP is taken as an important and promising alternative.
3. Market growth over the last year has been limited. The closing of 2019 with a growth of approximately 7% in terms of volume and a decrease in the market in terms of value is worrying.
4. Significant efforts have been made to promote SPP from the presidency and executive leadership, resulting in both political and trade promotion advances. The importance of progress in building the Strategic Alliance with the French business network Biopartenaire is highlighted.
5. There is a strong concentration of the SPP Global market in one company. Although the number of companies has increased, the growth has not been sufficient to ensure greater diversification of the market and its risks.
6. The recent internal discussions on the application of new minimum prices is a sign that market players, while sympathetic to the SPP and its political positioning, are reluctant to join the SPP because of its minimum prices.
7. The idea that you can only reach the market for large volumes at low prices is neither correct nor acceptable. It is a false contradiction between volume and price. The experience is that companies and consumers are willing to pay good prices for good products. To be able to sell larger volumes it is



important to better position SPP and its products in the right way, with quality products with many added values that are important for consumers.

8. The SPP is not yet sufficiently recognized by final consumers to be able to convince brands of its added value compared to other similar initiatives. SPP Global's budgetary limitations create a lack of operational capabilities for the timely execution of SPP Global's strategic plans.
9. It has been noted that the processes of dialogue between SPP France and SPP Global about the operation of the SPP Europe strategy and for the renewal of the relationship has been an excessively tiring process. The implementation of strategies agreed upon at the SPP Global General Assembly must be able to be implemented in an agile manner. The negotiations between the parties have delayed this implementation excessively, negatively affecting the promotional work in France and Europe.
10. The current SPP system is somewhat bureaucratic in its renewal processes. These processes end up lasting too long. Certification Entities do not seem to apply SPP Global procedures in a timely manner.
11. Information on product sales is still limited. The SPP system still collects little information on the exact flow of SPP products, particularly when intermediaries are involved.
12. In spite of the budgetary constraints and the limitations in the implementation of the promotion strategies in the different regions, there has been considerable progress in investing in the development of digital systems for information management and promotion (ERP, CRM, Online Documents, Virtual Marketplace, etc.) that will allow significantly more efficient and effective work in the future.
13. SPP stakeholders' participation in the decision-making processes seems to be still insufficient. Not only at the level of the main decision-making bodies, but also in the consultation processes. Insufficient ownership of the initiative by its members is pointed out both as a cause and as an effect. The lack of participation and internal communication generates instability in decision-making. Some price review processes have been criticized by some stakeholders in late stages of decision-making, even after the results have been published.

6.5 Recommendations to the SPP Global CD and GA

1. The follow-up to the recommendations made by the CV in the evaluation report of the CV for the period 2018 - 2019 should be continued.
2. SPP must take advantage of and deepen its growing leadership in the fair trade movement and, more than ever, towards final consumers, as a more authentic fair trade, led from the same producers and more attached to the original principles of fair trade, with greater seriousness, credibility and quality than the other initiatives.
3. Priority should be given to SPP promotion activities not only to market players but also to consumers in the priority regions as a matter of urgency. Political positioning should not be neglected in this promotion, but political positioning should be a tool for achieving greater sales.
4. The fact that SPP Global should not enter the field of confrontation with other stakeholders in the Fair-Trade movement should not detract from the energetic and innovative spirit of SPP in defense of the original principles of Fair Trade. When promoting SPP it is extremely important to achieve an adequate differentiation from other initiatives. It is important that consumers understand that SPP is a real fair trade, totally different from the generic and economic fair trade that is much better known. Among other things, consumers must understand that SPP also aims to bring to market a product not only from small organic producers, but also from high quality ones.
5. It is considered necessary for the SPP Global General Assembly to analyze the current market situation and to define a clearer institutional policy on the process to be followed in making decisions on SPP minimum prices in a context of a market with low prices versus production costs of small producer organizations well above market prices. We consider it important that SPP prices should not only allow



the producer not to develop his activity in order to "survive" but also to develop it as a professional activity that allows him to improve his production (quality and yield), his living and investment conditions. This is the only way to give a future to the producer organizations. While we must consider the realities of the market, we must also have the ambition and the strength to change these realities. It must be the priority of the SPP to preserve its reason to exist in the face of the process of devaluation of fair trade.

6. Mechanisms should be sought to increase the presence of the SPP in different producer regions. In the case of not being able to cover via physical meetings, it is recommended to take advantage of the new boom in digital communication to organize greater interaction and communication activities with members, both producers and buyers.
7. It is recommended that in the dialogues with SPP France emphasis be placed on the fact that SPP is a single international network, under the mandate of the General Assembly and the other decision-making bodies of SPP Global. The participation of local stakeholders is key to the successful promotion and development of SPP in the regions. A joint work between SPP Global and the regional stakeholders must be ensured to guarantee the compliance with the agreements of the decision-making bodies of SPP Global and the active participation of local stakeholders for a better impact on the market and the relevant national movements.
8. Given the budget constraint, a greater emphasis on activities and partnerships focused on managing resources complementary to systemic income should be considered. There will be a need to invest in the promotion and organizational capacities of the SPP in different regions, for which the current resources are not sufficient.
9. The SPP system must make an analysis of the bottlenecks in the current certification processes and implement strong measures that generate a more agile process of certification and renewal. At the same time, improvements to the system should result in greater transparency and information about the different stakeholders and channels in the chain, to guarantee the reliability and credibility of the system and to provide better data for internal analysis, as well as to Support the promotion of consumption of our products.
10. It is recommended that the internal communication and consultation mechanisms be improved, between the different SPP stakeholders, their designated representatives to the SPP, decision-making bodies and the SPP Global Operational Team, seeking greater ownership of the decision-making processes and avoiding setbacks.
11. Investment must be maintained in the development and implementation of digital systems to facilitate the administration and communication of information for the sake of greater efficiency in the processes, both of certification and of promotion and decision-making.
12. As a central point of this report, the SC requests SPP Global's Associates to take the necessary agreements at their next General Assembly to 1) reaffirm the mission and differentiating position of the SPP; 2) strengthen the commitment of each and every one of its members to the SPP; 3) defend and promote the rights and principles of small organized producers, focused on the real and integral value of their work, both politically and through the SPP system of rules and prices; 4) always respect the principles of solidarity, unity and democratic decision-making, free from the power games that usually mark the market.

7 Brand and Image Report

In the Strategic Plan 2016 - 2021, approved at the **5th General Assembly in 2016**, the following decisions were taken regarding the logo:



1. *The logo must be clearly distinguishable from the CLAC logo*

Respect the humanoid figures of the current logo, for reasons of identity representation, the positioning achieved in the market and for strong investments made in brand registrations internationally.

3. *The name SPP must be respected and these acronyms must be displayed in the new chart.*

4. *The reference to the website must be removed.*

5. *It must be possible to adapt additional qualifiers as in the current system.*

In the **VI General Assembly of 2017**, the agreements of the Strategic Plan 2016 - 2021 were unanimously ratified, with the addition of the intention to carry out a negotiation with CLAC to cede the rights of the CLAC logo to the SPP. An eventual cession would change the purpose of the implementation of the plan approved in the Strategic Plan.

At the **VII SPP General Assembly** in June 2018 in Piura, Peru, in view of the lack of positive progress in the dialogue with CLAC, the 2016 agreements were again ratified, complementing the agreement to hire a specialized company with respect to the logo and the application of the positioning in the qualifiers to be used together with the logo, taking up again the positioning agreements of this Assembly:

SPP POSITIONING

A. *The SPP must be linked to different areas in parallel:*

1. *Organic/Organic production*

2. *Fair trade*

3. *Cooperativism in all areas*

4. *The peasant struggle in general*

B. *The current positioning of SPP should be adjusted by emphasizing the following elements, transmitting core messages complementary to the logo:*

1. *100% Owned and operated by Small Producers*

2. *Ecological-organic products*

3. *100% fair trade/price, seeking to differentiate in terms of words from the most well-known fair trade labels.*

The VII General Assembly also agreed to wait for the results of the CLAC General Assembly in November 2018, awaiting the final outcome of the respective dialogue.

In early 2019, in the absence of a response from the CLAC General Assembly to the SPP request, the recruitment of the specialized firm continued. The Canadian company Vasco from Montréal (Canada) was hired for this purpose.

The Vasco company developed a proposal to adjust the logo based on the Terms of Reference that emerged from the agreements of the VII General Assembly of SPP Global.

The process of developing the Vasco company logo included an exploration of the market, a workshop and two surveys with a representative sample of SPP stakeholders, mainly from SPP user companies.

The work was not limited to the generation of logo proposals, but also of a general slogan and the modality of the application of optional specific slogans.



At the 7th General Assembly in July 2019, one of the proposed logos and a general slogan were approved by a large majority of votes.

After the General Assembly, an objection was received from the main SPP Final Buyers, who considered the logo inadequate and preferred a different decision-making process.

In the course of time, before the end of the dialogue with this buyer, the branding process of the new logo met with a strong objection from a company of a very well-known mineral water brand in Europe.

The objection of this company was directed more towards the preponderant use of the name SPP as part of the logo, than against the design of the logo itself.

The SPP Global Board, after evaluating legal risks, and therefore financial and commercial risks, was forced to withdraw the trademark application and rethink the process of changing the logo.

Considering the opinions of the company that objected to the trademark registration, it was decided to continue with the use of the current logo, using the name SPP as a company name, by using it together with the internet address.

On the other hand, the Board of Directors decided, at the end of 2019, to agree on a general redefinition process of the logo and the brand, under the following guidelines

- The process of revising the logo and brand must be in line with the official SPP position, ratified at the 8th General Assembly in 2019:

The SPP, Small Producers' Symbol, is an intercontinental network of organic small producers' organizations that struggle for the recognition of high quality of our products and work for a dignified life and a healthy planet for all, in partnership with committed companies and consumers, backed by independent certification.

- Delegate the monitoring process to the SPP Global Support and Promotion Committee (CAP)
- Ensure that the main and different types of stakeholders in terms of region, type of activity and size are represented in this process led by the CAP.
- The (external) participation of companies specialized in marketing, design and trademark protection.
- The active participation of all members of the SPP family
- The participation of representatives of the Task Force.

In April 2020 both the CAP and the SPP Global CD met and made the following agreements:

- Regardless of the logo you have, SPP requires a comprehensive work of redesigning its image from its positioning, converted into a graphic image and communication appropriate to be understood properly and effectively by consumers in different target markets.
- This image redesign work must, at the same time, generate a permanent solution to the need to adjust the SPP brand as well as the corresponding logo.
- The mandate previously delegated to CAP to guide the process of adjusting the logo and brand, thus, is extended to a general redesign ('rebranding') of the image of the SPP.
- The redesign process should define how far the corporate image (graphic and communication) should be global and how far it can and/or should be adapted to different geographical or socio-cultural regions.



- This redesign process must be done thoroughly. Although there is a hurry, the risk of repeating the setbacks found in previous processes should be avoided as far as possible.
- An adequate investment of SPP Global's budget is allocated to the processes of developing the new image and its adequate protection, while covering the international campaigns of its launch as part of the promotion strategy.
- While the process of developing the new brand and image is underway, the full name of the Small Producers' Symbol (and its equivalents in other languages) is promoted, along with the existing logo, to make it less dependent on the name SPP. On the other hand, the authorized monochromatic version of the logo is promoted more as part of the corporate image, seeking greater differentiation from the CLAC/FLO corporate image.

During the process of developing the new image, the different SPP stakeholders and potential markets in the different regions will be consulted.

Whenever a strategic decision is required, it will be presented to the SPP Global General Assembly, normally and/or extraordinarily.

8 Agenda and Critical Path X General Assembly 2021

It is proposed to the 9th General Assembly to approve the following General Agenda for the 10th General Assembly (Physics) in 2021

General Agenda X General Assembly SPP Global

July 22-23, 2021

Main Objectives GA	
1	Legal Update (Membership, RI, Minutes)
2	Complete SPP SWOT Evaluation
3	Endorsement of the SPP Declaration of Principles and Values
4	Endorsement of the SPP Mission/Positioning in the Current Context
5	ASPOintment of new Board of Directors, CNP and CV
6	Approval of the Strategic Plan 2021-2026
DEFINITION OF STRATEGIC PLAN (PE)	
Adoption of EP Strategic Objectives	
1	Mission/Positioning
2	Prioritization of Strategic Objectives
3	Strategic Action Lines
4	Key Performance Indicators
Adoption of EP Operational Strategies	
1	Promotion and Differentiation Model
2	SPP Pricing Policies
3	Standards and Certification System
4	OPP Strengthening Strategies
5	Advocacy Strategies
Execution Model Approval	
1	Financial Model



2	Organizational Model
3	Operational Model

The following Critical Path to the 10th General Assembly is proposed:

#	Activity	Resp.	Jun -20	Jul -20	Aug -20	Sep -20	oct -20	Nov -20	Dec -20	Jan -21	Feb -21	Mar -21	Apr -21	May -21	Jun -21	Jul-21
1	Critical Route Approval	AG	21													
2	ASPOINTment of New Board of Directors	AG	21													
3	Formulation of Draft "Strategic Foundation SPP" (SWOT, situational analysis, operational analysis, definition of values and strategic objectives)	CD	21													
4	Regional Analysis Forums Draft "FE-SPP"	CD														
5	Global Forum Final Draft "FE-SPP"	CD														
6	Final Version "FE-SPP" Approval	CD														
7	Development of First Draft PE-SPP (Strategic Plan)	CD														
8	Regional Analysis Forums Draft "PE-SPP"	CD														
9	Approval in X GA inal Draft "PE-SPP"	GA														22,23