



Financial Terms for Service Providers to FWF

This document explains the financial terms for all parties (service providers) contracted to work for Fair Wear Foundation (FWF).

Remuneration

FWF pays a standard daily fee in €, depending on the kind of work to be done (category A, B, C, D) and the country (Low, Medium, High) where the service provider is based, as specified in the contract (see fee structure below). Fees can only be paid based on agreements made in advance.

The daily fee will be reviewed each January to reflect changes in the cost of living. In case a country shifts to a lower category, service providers who have worked with FWF before will continue to be paid the same fee as they used to get.

Remuneration will be done per day, using the standard maximum daily fee, unless the number of hours worked on a day is lower than 8. Occasional overtime is inherent to the job and is included in the fee.

FWF trainers/auditors who have worked continuously with FWF for more than 3 years and less than 7 years, AND have done at least 5 audits/trainings each year will get a bonus of 10 Euros added to their daily fee. The same rule applies to the next period of three years or more as described in the table below.

Country representatives and complaints handlers who have worked continuously with FWF for more than 3 years will equally be entitled to a bonus of 10, 15 or 20 Euros on their daily fee in accordance with the table below.

Number of years	Bonus
0 – 3	0
4 – 6	10 Euros
7 – 9	15 Euros
10 or more	20 Euros

Travel costs

Travel expenses (first class train or bus, but for distances over 500 km economy class air travel can be used) incurred during the assignment will be reimbursed by the contracting party based on real costs. In the cases where trains cannot be used, a private car can be used, provided the organisation has approved any additional costs before they are incurred.

Additional travel time is paid as follows:



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50% of the hourly fee will be paid for each hour of travel to and from the assignment. If the travel time includes a night's sleep on a night train, then up to six hours of such time is not considered to be travel time.

Accommodation

Hotel costs incurred during the assignment will be reimbursed by the contracting party, within reason and to a maximum as specified in the Annex 'FWF Accommodation costs'.

Meals

When travelling more than 10 km outside the area where the service provider normally works or lives, meals are reimbursed within reason and based on real costs.

Office costs, insurances, taxes and other costs

Reimbursement for normal office costs is considered part of the fee. In case a service provider has to make many phone calls, do a lot of copying etc. in the course of an assignment she/he can request additional compensation. This has to be agreed upon on a case-by-case basis before making the actual costs and should be specified in the invoice.

The service provider acts as an independent contractor. The service provider is therefore responsible for making all appropriate employment taxes and other statutory deductions relating to his or her remuneration or payment for the assignment. The daily fee includes holiday payment.

It is expected that service providers make sure that they have the proper insurance for carrying out the assignments. All insurance costs should be paid for by the service providers themselves and these costs will not be reimbursed.

No other costs than those described above will be reimbursed unless agreed upon beforehand.

Invoicing

The invoices shall be submitted upon the completion of the assignment (including reporting), unless approval has been granted to bill for more than one assignment with one invoice, but no later than one month after execution of the assignment. FWF provides a model invoice for service providers to use. This invoice can be obtained by email from the FWF office in Amsterdam.

The invoice must be in English and indicate:

- A unique Identifying number (invoice number);
- An invoice date;
- Time spent on the assignment;
- Dates when the assignment took place;
- The activities carried out;



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- In case the assignment has a direct relation to a factory and/or a member company of FWF, for example when an audit has been done, the factory name and address and member company should be included in the invoice;
- Customer's name and address = Fair Wear Foundation;
- All costs for travel, hotel, meals, etc. that should be reimbursed must be clearly indicated in the invoice;
- VAT number (for those based in a SEPA country)
- A total amount charged.

Receipts for all costs that should be reimbursed need to be sent with the invoice. Receipts should be scanned and emailed together with the invoice (scanned documents of receipts should have your name and the date of the assignment). Make sure that the total amount that should be reimbursed clearly matches the receipts that you send.

Make sure that it is clear in the invoice to which receipt a particular cost relates to. This can be done by marking each receipt with characters (A, B, C, D) and mentioning the same character on the invoice. Since FWF will make the financial transfer in Euros please also fill in the exchange rate used when calculating costs to be reimbursed. Currency converter to be used is XE (www.xe.com), unless you have receipts with the currency rate on it. Please indicate the date of the currency rate used.

Payment and bank details

Payments are made in Euros through bank transfer. Therefore, service providers must include the following bank account information on their invoices:

- Bank account number
- Name and address of the bank account holder as it appears on account statements
- Name and address of the bank branch where the account is located
- *Important:* the bank's SWIFT¹ and if applicable:
- the IBAN code (International Bank Account Number)

¹ The SWIFT code (also known as SWIFT-BIC, BIC code, SWIFT ID) is made up of 8 to 11 characters



Fee structure

FWF works with a differentiated structure to reflect the type of job to be done and relative costs of living in the different countries.

High	Middle	Low
China	Bulgaria Indonesia Macedonia Romania Tunisia	Bangladesh Cambodia Ethiopia India Myanmar Pakistan Sri Lanka Vietnam

Categories of job divided according to service provided

A	B	C	D
Country representative	Audit team supervisor Trainer Simultaneous interpretation Complaint handler Resource person in training Country study coordination Project coordinator	Audit team member Contributor country study Interpreter Co-trainer	Translator Project assistant Booking of hotels, travel, lunches, etc.



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Fee per days as per 1 January 2018

Job	A	B	C	D
High	194	183	159	139
Middle	169	159	139	127
Low	149	139	127	114

Translation work: # words / 2000 x daily fee C

Variable fee per hour for separate assignments: L: € 18.00 M: € 21.00
H: € 24.00

Invoicing in case of cancellation

In case the audit or training is cancelled within one month prior to the scheduled training date, the auditor or trainer is paid 50% of the agreed fee. In case the audit or training is cancelled 10 or less workdays before the agreed date, 100% of the fees can be invoiced by the auditor or trainer.