

# Chain of Custody Standard

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Sustainable Agriculture Network (SAN):

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[www.san.ag](http://www.san.ag)

[www.rainforest-alliance.org](http://www.rainforest-alliance.org)

Please send your comments or suggestions concerning this document to the

Sustainable Agriculture Network Secretariat at:

[info@san.ag](mailto:info@san.ag)

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# 0. Introduction

## 0.1. The Sustainable Agriculture Network

The Sustainable Agriculture Network (SAN) is a coalition of independent nonprofit conservation organizations that promote the social and environmental sustainability of agricultural activities. CoC standard and policy development and review are coordinated by the SAN Secretariat. Accredited Certification Bodies certify farms, group administrators, cattle production systems and Participating Operators (POs) that conform to the SAN's standards and policies.

## 0.2. The Rainforest Alliance

The Rainforest Alliance is an international nonprofit organization working to conserve biodiversity and ensure sustainable livelihoods. Farms that meet the SAN's comprehensive standards for sustainability, as well as POs that comply with SAN and Rainforest Alliance policies, are eligible for a license to use the Rainforest Alliance Certified™ seal and/or make Rainforest Alliance Certified claims for products grown on Rainforest Alliance Certified farms.

## 0.3. The Chain of Custody Standard

This CoC Standard establishes the practices that a PO shall implement during the process of transforming products from certified farms in order to assure the traceability of these products throughout the supply chain. This CoC Standard contains four principles:

1. CoC Management System
2. Traceability
3. Use of the Trademarks of the Rainforest Alliance
4. Multi-site Operators

Each one of these principles includes a set of criteria. The binding criteria are identified by a two-level number system (e.g., 1.1, 1.2, etc.), and some include sub-points (e.g., 1.1.a, 1.1.b, 1.1.c).

The CoC conformity evaluation depends on the actions taken by POs to conform to the criteria, and the level to which the integrity of a product coming from a certified farm is affected. The evaluation findings can be divided into conformities and nonconformities. The actions taken to assure the product traceability and/or the transparency of the system(s) are classified as conformities, and the actions (or lack of actions)

that compromise the traceability of the product and/or the transparency of its system(s) are classified as nonconformities. For more details about the CoC evaluation system and additional certification conditions refer to the SAN/RA Chain of Custody Policy and the SAN Accreditation Requirements for Certification Bodies.

## 1. Chain of custody management system

Summary of the principle (not binding for audit purposes): The Participating Operator's Chain of Custody Management System includes the planning, procedures and monitoring of the responsible personnel and the relevant documentation for certified products. The Chain of Custody Management System can vary according to the size and complexity of the operation.

- 1.1 The Participating Operator shall document the control procedures to ensure that its Chain of Custody Management System maintains the integrity of the certified products. The procedures shall include:
  - a. A flowchart of the products originating from certified farms with the identification of all processing steps and points where the products from non-certified sources may enter or where certified products may leave the system;
  - b. Procedures and records for controlling the reception, processing, mixing, storing, packaging, delivery, transport and resale of products coming from certified farms; and
  - c. Responsibilities of the personnel involved with the Chain of Custody Management System.
- 1.2 The personnel involved with the handling and processing of certified products shall demonstrate that they have been trained and that they have the knowledge and skills to effectively implement the Participating Operator's Chain of Custody Management System.
- 1.3 The Participating Operator shall not be in material violation of any applicable laws relating to the handling, reception, processing, mixing, storing, packaging, delivery, transport and resale of certified products, including without limitation laws relating to the environment, occupational health and safety, and labor. The Participating Operator shall demonstrate the foregoing by providing a truthful representation as to the foregoing.
- 1.4 The Participating Operator shall implement internal inspection procedures to ensure conformance with this standard. These procedures shall include:
  - a. Documented internal inspections once a year, to monitor conformance with the SAN/Rainforest Alliance Chain of Custody system; and
  - b. A corrective action plan to eliminate nonconformities.

- 1.5 The Participating Operator shall enter into a binding agreement with any contractor to which processing, storing, packaging and/or labeling is outsourced.
- 1.6 All documents generated to support the Chain of Custody Management System shall be kept for a period of at least three (3) years. All relevant records shall be available to Participating Operator staff and to external auditors.
- 1.7 The Participating Operator shall document and implement a procedure for receiving and resolving complaints regarding its conformance with this standard.

## 2. Traceability

Summary of the principle (not binding for audit purposes): Products from certified farms are traceable throughout the supply chain of the Participating Operator using pre-established and self-sufficient procedures that identify the history, location and movements of the product or batches of products. The identity of these products can be distinguished from non-certified products visually, in time and/or via documentation and records.

- 2.1. The Participating Operator shall demonstrate that the certified products handled in its facilities are covered by internal procedures to preserve the product's integrity in accordance with the Participating Operator's claim.
- 2.2. The Participating Operator shall implement a system for identifying the certified products by means of physical or visual identification.
- 2.3. The Participating Operator shall demonstrate that Transaction Certificates are requested and issued when required by the Rainforest Alliance.
- 2.4. The Participating Operator shall develop and maintain records to document quantities of product from certified farms for the following: a) purchased as inputs; b) inputs and outputs in stock; and c) outputs sold.
- 2.5. The Participating Operator shall demonstrate and update accordingly the methodology for the calculation of conversion factors, including acceptable levels of contamination, for each product.
- 2.6. The Participating Operator shall check supplier documentation to ensure it includes one of the following:
  - a. A copy of a Transaction Certificate(s) from the Rainforest Alliance or associated Transaction Certificate number(s); or

- b. Supporting documentation (supply contracts, invoices, delivery documents, etc.) that indicates the Participating Operator's claim for the product(s) purchased.

2.7. The Participating Operator shall provide claim information to its customers, including:

- a. A copy of a Transaction Certificate(s) from the Rainforest Alliance or associated Transaction Certificate number(s); or
- b. Supporting documentation (supply contracts, invoices, delivery documents, etc.) to indicate the Participating Operator's claim for the product(s) sold; and
- c. When an unlabeled product is sold that contains less than 100% Rainforest Alliance Certified content, the Participating Operator shall indicate the certified percentage.

### **3. Use of the trademarks of the Rainforest Alliance**

Summary of the principle (not binding for audit purposes): The Rainforest Alliance name, logo and Rainforest Alliance Certified seal are all registered trademarks of the Rainforest Alliance. No Participating Operator may claim that a product is Rainforest Alliance Certified without the prior written approval of the Rainforest Alliance. Participating Operators may only use Rainforest Alliance trademarks in accordance with the rules defined by the Rainforest Alliance, and must provide applicable supporting documentation.

- 3.1. The Participating Operator shall sign a License Agreement directly with the Rainforest Alliance prior to using any Rainforest Alliance trademark.
- 3.2. The Participating Operator shall obtain and maintain records of prior written approvals granted by the Rainforest Alliance for the use of any Rainforest Alliance trademark on communication and marketing materials (on or off product) before such materials are issued, published or distributed.
- 3.3. A Participating Operator shall present evidence that any product bearing the Rainforest Alliance Certified seal meets the minimum percentage of certified content, or the claim made on the product package, in accordance with Annex I of this standard, excerpted from the Requirements and Guidelines for Use of the Rainforest Alliance Trademarks.

### **4. Management system for multi-site operators**

Summary of the principle (not binding for audit purposes): This principle only applies to Participating Operators that administer two (2) or more sites and that want to apply for Chain of Custody Certification. Multi-site System Administrators administer sites and are responsible for the evaluation and reporting of the sites. It is the responsibility of the Multi-site System Administrator to determine which sites are included in the scope of the certification and subsequently to ensure that the different sites conform to the SAN/Rainforest Alliance Chain of Custody system.

- 4.1. The Multi-site System Administrator shall document and implement an Internal Control System that guarantees conformance of all the individual sites with the SAN/Rainforest Alliance Chain of Custody system. At a minimum, the Internal Control System shall include the following elements:
  - a. An organizational chart illustrating the relationship between the Multi-site System Administrator and each site;
  - b. The Multi-site System Administrator shall internally inspect all sites no less than annually;
  - c. New sites must undergo an internal inspection before being included; and
  - d. For sites that are not under a common ownership structure, consent from each site acknowledging participation in the certification and granting authority to the Multi-site System Administrator for internal inspection and sanction.
- 4.2. The Multi-site System Administrator shall keep records of the sites included in the scope of its Chain of Custody certificate, including:
  - a. A list of sites including name, location, type of processing, and responsible personnel;
  - b. Status of internal inspections and external audits; and
  - c. Identification of the sanctioned sites.
- 4.3. The Multi-site System Administrator's Internal Control System shall document and implement procedures for sanctioning sites that do not comply with the SAN/Rainforest Alliance Chain of Custody system. Each site shall be informed of the sanction system. A system of progressively more serious sanction measures shall be established, concluding with the exclusion of a site from the Chain of Custody certificate scope.



# Annex I

## Excerpts from Requirements and Guidelines for Use of the Rainforest Alliance Trademarks

The Rainforest Alliance name, logo and Rainforest Alliance Certified (RAC) seal are registered trademarks of the Rainforest Alliance. Unauthorized use of the RAC seal or Rainforest Alliance logo is strictly prohibited. The Rainforest Alliance reserves the right to take legal action against any party that reproduces or copies the RAC seal or Rainforest Alliance logo without prior authorization.

### Section 6 – Sourcing and Labeling Requirements for Rainforest Alliance Certified™ Farm Products

This section explains the requirements for sourcing sufficient volumes of Rainforest Alliance Certified™ farm products or ingredients, manufacturing them into final consumer goods and ensuring traceability and chain of custody throughout the process so that the final product will be eligible to bear the RAC seal.

#### 6.2 Percentage of Certified Content

The percentage of certified content used in a product determines how the seal may be used. The Rainforest Alliance encourages businesses to use 100% certified content, whenever possible, in any product bearing the RAC seal. Only products that contain at least 90% Rainforest Alliance Certified™ content can bear the RAC seal on product packaging without a qualifying statement. Products are only eligible to bear the RAC seal when the percentage of certified content reaches a minimum of 30%. The minimum 30% content level is considered a starting point, however.

#### 6.5 Labeling Single Ingredient Products

Single ingredient products that are sourced 100% from Rainforest Alliance Certified farms may bear the RAC seal without a disclaimer statement on the packaging or in marketing materials.

Packaging for any single ingredient product that contains between 30% and 90% certified content (e.g. a blend of coffee from different origins) and bears the seal must include a qualifying statement that communicates the percentage quantity of certified content. This statement must be placed directly below or beside the seal on the package, must be clearly legible, and should be written in the local language to ensure consumer understanding. See examples in Section 2. Stickers with the seal alone

(without a statement disclosing the percentage of certified content) can be used only on single-ingredient products that contain at least 90% Rainforest Alliance Certified content.

For off-product marketing materials that promote products containing 30% to 90% certified content, the percentage must be disclosed somewhere in the text near where the seal is used.

## **6.6 Sourcing Multi-Ingredient Products**

The Rainforest Alliance’s policy on multi-ingredient products is designed to assure consumers that in any product bearing the RAC seal, a significant amount of the core ingredient and/or a significant portion of the entire product is sourced from Rainforest Alliance Certified farms.

A “core” ingredient is:

- critical to the formulation of the product, and/or
- included in the product name or described on the front of the packaging.

Examples of “core” ingredients include: cocoa in a chocolate bar (including all cocoa-derived ingredients, such as cocoa mass or liquor, cocoa butter, cocoa powder), bananas in a fruit smoothie, macadamias in a macadamia nut cookie, tea leaves used to make ready-to-drink bottled tea beverages. Ingredients that would generally not be considered “core” include sweeteners (such as sugar, cane juice, stevia), flavorings (vanilla, cardamom), and oils (macadamia, soybean, palm) – unless included in the product name or described on the front of packaging (such as vanilla ice cream) or if comprising a significant percentage of a product.

Products with non-core ingredients sourced 100% from RAC farms may not use the RAC seal, but the certified ingredients may be indicated as such in or near the list of ingredients on the package.

## **6.7 Labeling Multi-Ingredient Products**

Depending upon the sourcing and manufacturing specifications for the product there are three options using the RAC seal on composite or multi-ingredient products:

### **A. FULLY CERTIFIED CONTENT**

100% of the named core ingredient is sourced from certified farms, and the final product contains at least 90% of that ingredient. This is the recommended and most straightforward way to use the RAC seal on a composite product, and it requires no special disclaimers on the package.

The core ingredient must be identified under or near the seal as well as in the list of ingredients. Businesses labeling products under Option A may claim that the product “contains” or is “made from” [ingredient] from Rainforest Alliance Certified farms.

Although not required for products labeled under this option, inclusion of an approved qualifying statement explaining the Rainforest Alliance Certified program somewhere on the package is strongly encouraged to increase consumer understanding.

## **B. MINIMUM CERTIFIED CONTENT**

At least 30% of the identified core ingredient is from Rainforest Alliance Certified farms. With Option B, the core ingredient(s) must be identified under or near the seal as well as in the list of ingredients. For products with below 90% certified content, the percentage of the core ingredient’s certified content must be disclosed on the package.

## **C. CONTROLLED BLENDING**

This option applies to businesses manufacturing a high-volume, mainstream consumer product in one or more factories, where complete segregation and physical traceability of the certified core ingredient (i.e. cocoa) from the factory gate to the finished product is not currently possible.

It requires written approval by the Rainforest Alliance and may be adapted to accommodate different factory layouts.

100% of the core ingredient(s) must be from certified farms and physical traceability is required from the farms to the factory manufacturing the consumer product. A qualifying statement is required on pack and other labeling restrictions apply (see below).

As of the publication date of this document, Option C is only available for cocoa and orange juice. Other categories may be considered in the future.

For Option C the following manufacturing requirements apply:

1. Businesses must source and deliver into the factory 100% of the core ingredient required to make the product, including all variations on the ingredient components used in the recipe (i.e. recipe matching). The core ingredient must remain physically segregated and traceable (with its corresponding Rainforest Alliance Transaction Certificates) up to the factory entry point of the consumer goods manufacturing facility. In cocoa, components include beans, liquor, butter and powder.
2. The combined amounts of certified core ingredient input from each of the components must add up to 100% of the equivalent core ingredient output in the consumer product labeled with the RAC seal.

3. Certified inputs are delivered to the factory throughout the year according to a scheduled sourcing plan and always in advance of the first production of products labeled with the RAC seal. Volume reconciliation (bean equivalent for chocolate) is required on an annual basis and calculated on documented traceability at real conversion ratios. Where recipe matching and segregation for all variations of the core ingredient are not initially possible, the business may request a phase-in plan allowing alternative recipe components as substitutes (i.e. cocoa beans from different origins; powder solids accounting for cocoa butter solids; certified cocoa liquor when certified butter is unavailable, etc.). In such cases, the business will be required to develop a written plan approved by the Rainforest Alliance and will be required to scale up to full recipe matching, normally within 18 months.

## **6.12 Force Majeure**

Situations may arise that are genuinely outside of a business' control, and despite the business' best efforts to prevent these situations, products bearing the RAC seal are temporarily unable to meet the 30% minimum certified content threshold described in these guidelines, or fall below the percentage of certified content declared on pack. The Rainforest Alliance may grant temporary authorization for continued use of the seal after a full analysis of each individual case and only if one of the following events has occurred at the farm or supplier at origin, or at the factory or warehouse where the certified products are stored or manufactured:

- Natural disasters (earthquakes, hurricanes, fires, floods, or similar)
- War, insurrection, explosion or other proven acts of violence
- Political, governmental or regulatory circumstances

If such authorization is granted by the Rainforest Alliance, the business must immediately correct the declared percentage of certified content on the packaging when possible. When this is not possible, the business must post information on its website to disclose and explain the temporary interruption to consumers. If the disruption becomes permanent, the business must stop using the seal or find an alternative supplier. Unless caused by one of the events listed above, changes in crop prices, quality, or supply shortages will not be deemed "force majeure" situations.

However, other shortages may be caused by suppliers who fail to fulfill contracts, equipment failures, misaligned scheduling, misunderstandings or various other reasons.

Therefore, in the event of a temporary supply shortage or error that results in a product bearing the RAC seal to contain less than 90% certified content, or less than the percentage of certified content claimed on the package, two steps must be followed:

1. The company marketing the product labeled with the RAC seal must include a disclaimer statement on their website for the duration of the shortage; and
2. The company responsible for the shortage (often a brand's supplier) must buy an additional amount of Rainforest Alliance Certified crop equal to the shortfall, or the brand may buy the additional amount from another supplier or on behalf of its supplier. If a farm is responsible for the supply shortage or fails to deliver on a contract, the brand must buy an equivalent amount of certified crop from other Rainforest Alliance Certified farms.

The website statement and compensation purchase amount must be reviewed and authorized by the Rainforest Alliance.