

Sustainable Agriculture Network

Verification Policy SAN Climate Module

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Sustainable Agriculture Network (SAN):

Conservation and Development, Ecuador · Fundación Interamericana de Investigación Tropical, Guatemala ·
Fundación Natura, Colombia · ICADE, Honduras · IMAFLORA, Brasil · Fundación para la Conservación de la
Naturaleza, India · Pronatura Sur, Mexico · Rainforest Alliance · SalvaNatura, El Salvador

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Introduction

The Sustainable Agriculture Network and Rainforest Alliance

The Sustainable Agriculture Network (SAN) is a coalition of independent non-profit conservation organizations that promote the social and environmental sustainability of agricultural activities by developing standards. Standard and policy development and review is coordinated by the SAN secretariat based in San José, Costa Rica. Certification Bodies certify farms or group administrators that comply with SAN's standards and policies. Certified farms or group administrators can apply for use of the *Rainforest Alliance Certified*TM trademark for products grown on certified farms.

Since 1992, more than 700 certificates for more than 90,000 farms - including small family farms of cooperatives, as well as plantations - in 29 countries (Argentina, Brazil, Chile, Colombia, Costa Rica, Côte d'Ivoire, Dominican Republic, Ecuador, El Salvador, Ethiopia, Ghana, Guatemala, Honduras, India, Indonesia, Jamaica, Kenya, Malawi, Mexico, Nicaragua, Panama, Papua New Guinea, Peru, Philippines, Sri Lanka, Tanzania, United States, Vietnam and Zambia) have met the *Sustainable Agriculture Standard* on more than 700,000 ha for 30 crops: acaí palm, allspice and pepper, apple, avocado, banana, blueberry, cherry, chestnut, citrus, cocoa, coffee, cupuacu, flowers, foliage, grapes, heart palm, jocote, kiwi, leek, macadamia, mango, mangosteen, pear, pineapple, plum, radicchio, sugarcane, sweet onion, tea and tomato.

The SAN members are: Conservación y Desarrollo (C&D), Ecuador; Fundación Interamericana de Investigación Tropical (FIIT), Guatemala; Fundación Natura, Colombia; ICADE, Honduras; IMAFLORA, Brazil; Nature Conservation Foundation, India; Pronatura Chiapas, Mexico; SalvaNatura, El Salvador; and the Rainforest Alliance.

The Sustainable Agriculture Network's Mission

The Sustainable Agriculture Network (SAN) promotes efficient agriculture, biodiversity conservation and sustainable community development by creating social and environmental standards. The SAN fosters best management practices across agricultural value chains by encouraging farmers to comply with SAN standards and by motivating traders and consumers to support sustainability.

The SAN pursues its mission by:

- Integrating sustainable production of crops and livestock into local and regional strategies that favor biodiversity conservation and safeguard social and environmental well-being.
- Raising awareness among farmers, traders, consumers and business leaders about the interdependencies of healthy ecosystems, sustainable agriculture and social responsibility.
- Impressing upon business leaders and consumers the importance of choosing products grown on environmentally sustainable and socially responsible farms.
- Stimulating dialog among environmental, social and economic groups, North and South, about the benefits of sustainable agriculture.

Policy Objective

The objectives of the *SAN Climate Module Verification¹ Policy* are:

1. Determine the scope of verification for farms, group administrators and their member farms who are interested in voluntarily applying to this process.
2. Convey the general verification conditions for farms, group administrators and their member farms interested in *SAN Climate Module* verification
3. Establish the conditions for cancelling the approved status of a farm, group administrator and its member farms with respect to the *SAN Climate Module*.

Policy Scope and Implementation

The *SAN Climate Module Verification Policy* applies to farms, group administrators and their member farms that are certified under the standards of the Sustainable Agriculture Network – and, when applicable, the Standard for Sustainable Agriculture and Standard for Group Certification and/or the SAN Standard for Sustainable Cattle Production Systems – and voluntarily choose to undergo the *SAN Climate Module* verification process.

- This *SAN Climate Module Verification Policy* applies to verifications performed by SAN approved inspection or certification bodies as of **June 15, 2011**.

Sources

Sustainable Agriculture Network. Farm Certification Policy. April 2009 version.

Sustainable Agriculture Network. Group Certification Policy. March 2011 version.

¹ Verification differs from certification, according to the International Standards Organization, because while verification is confirmation that specified requirements have been fulfilled, certification is the issuing of written assurance by an independent external body that it has audited a management system and verified that it conforms to the requirements specified in the standard. Verification is not included in the scope of the SAN Accreditation Program.

CLIMATE MODULE VERIFICATION POLICY FOR FARMS AND GROUPS

SECTION A: REQUIREMENTS FOR FARMS, GROUP ADMINISTRATORS AND THEIR MEMBER FARMS

1. General Conditions

- a. Certified clients who grow one or more of the crops specified in Annex 2 of the Farm Certification Policy may apply for *SAN Climate Module* verification. Those clients that are not certified may not apply for *SAN Climate Module* verification.
- b. Climate Module verification is effective for three years starting on the date the first approval is granted; it is subject to annual verifications showing continuous conformity with the applicable normative documents and the farm's maintenance of *Rainforest Alliance Certified™* status. The client must request verification from an authorized certification or inspection body every year.
- c. Compliance with the *SAN Climate Module* will be verified separately from compliance with the Sustainable Agriculture Standard, but it can be conducted concurrently with certification auditing in annual auditing processes for efficiency.
- d. Upon receiving an application from a certification body for the evaluation of a crop that is not listed in Annex 1, the SAN Secretariat will analyze the scope of the applicable SAN standard for the specific crop and determine if it is to be included in Annex 1 or Annex 2. The farm must earn certification to the Sustainable Agriculture Standard before it can apply for *SAN Climate Module* verification.
- e. To **maintain** the **approved** status for the *SAN Climate Module* during its three year term, the client must:
 - i. Fulfill every applicable standard, requirement of the certification body and, if it uses the *Rainforest Alliance Certified™* seal, fulfill the terms of the *Rainforest Alliance Certified™* Use of Seal Guidelines, as well as the traceability procedures of Rainforest Alliance and Chain of Custody Requirements, when applicable;
 - ii. Undergo the required audits during the three year audit cycle, according to the Farm Certification Policy and/or Group Certification Policy;
 - iii. Keep minimum scores as required within the SAN Scoring System for the binding certification standards and with the *SAN Climate Module* Scoring System (see section 5 of this document).
- f. To **renew** verification at the end of the three-year period of validity, the client must:
 - i. Request verification from an accredited or approved certification or inspection body;
 - ii. Fulfill all the applicable normative documents and requirements of the certification body;
 - iii. Undergo verification by an accredited or approved certification or inspection body; and
 - iv. Maintain a passing score in accordance with the SAN Scoring System and *SAN Climate Module Scoring System*.

2. Verification Rules for Farms

- a. The scope of verification at the farm level includes the following elements:
 - i. The physical area of the farm within its property limits, including its infrastructure, processing and packaging areas, conservation, housing areas and fallow land.
 - ii. Any lots that are rented by the same farm owner
 - iii. Infrastructure owned by any farmer or group member, even that which is located outside the farm limits.
 - iv. All production plots and crops.
 - a. If part of the farm is rented to third parties, aspects related with the main farm's production processes
 - b. Livestock production areas, if they are located within the farm limit.
 - v. Any post-harvest activities that take place on the farm or on processing installations located outside the farm limits but which are property of the farm's owner, such as washing, trimming, packing or other processing facilities.
 - vi. Communities close to the farm.
- b. If the farm does not fulfill the requirements of the *SAN Climate Module* scoring system, but its verification score falls between 70 and 79%, it shall be subject to re-verification within four months of the verification that generated that score. This condition applies to initial verifications as well annual verifications. If the Inspection or Certification Body does not consider it to be a risk and if the farm is committed to following the guidelines and sending information to prove it carried out corrective actions to achieve a minimum of 80% general compliance with the *SAN Climate Module*, the re-verification process can be desk-based.
- c. Only certified product falling within the scope of the *Rainforest Alliance Certified™* seal certificate is eligible for verification against the SAN Climate Module.
- d. Farms can modify the scope of their *SAN Climate Module* verification based on the rules defined in the Farm Certification Policy and prior coordination with an authorized Inspection or Certification Body without the need for on-site Climate Module verification. If there is no on-site verification at the time of scope alteration, the next *SAN Climate Module* verification will include any area that falls under the new scope.
- e. Farms that obtain a score greater than 90% on an initial or annual verification will be subject to a desk-based verification (instead of a field verification) once the verification cycle (i.e., one desk-based verification out of the two subsequent verifications). This benefit of advanced compliance with the Climate Module reduces cost to the farm.

3. Verification Rules for Group Member Farms and Group Administrators

- a. The *SAN Climate Module* verification scope for group member farms is established according to the following possible scenarios:
 - i. **Scenario 1.** The total number of a group's member farms included in the scope of certification for the Sustainable Agriculture Standard, SAN Standard for Group Certification and, when applicable, the SAN Standard for Sustainable Cattle Production Systems is included within the scope of the *SAN Climate Module*

verification. In this case, it is not necessary to separate the approved product from non-approved product since quantities will be the same.

- ii. **Scenario 2.** The group administrator subjectively includes a number of member farms in the Climate Module verification scope. At the time of selling and marketing, a product will only be recognized as *Rainforest Alliance Certified™* and approved for the *SAN Climate Module* if a traceability system exists that ensures the product approved for the *SAN Climate Module* is in fact what is being marketed. In this case, the authorized Inspection or Certification Body may use the document “Chain of Custody Requirements” as guidance to assess the separation of non-certified, *Rainforest Alliance Certified™* and Climate Module verified products as appropriate.
- b. The *SAN Climate Module* scope of verification for a group administrator and its member farms is the same as that described in the Group Certification Policy.
- c. In the case of group member farms, selection of a sample for *SAN Climate Module* verification will be the stratified random sampling of the square root of the total number of member farms in the group administrator’s scope.
- d. If verification to the *SAN Climate Module* is conducted jointly with a certification audit or annual audit of the group administrator and its member farms to the Sustainable Agriculture Standard, the same sample of member farms will be evaluated for both sets of criteria. If the process is done separately from a Sustainable Agriculture Network Standards audit, the verifier must confirm that the sample is selected through the stratified random sampling method and might use part of the same sample farms included in the certification process.

4. Verification Status

A farm or group can earn and maintain the following *SAN Climate Module* verification statuses:

- i. **Approved:** The client meets the *SAN Climate Module* requirements and minimum score as determined by the Climate Module scoring system and maintains its certification status with the Sustainable Agriculture Network Standard and its right to market its product with the *Rainforest Alliance Certified™* seal and *SAN Climate Module* approval.
- ii. **Not approved:** The client does not comply with the Climate Module scoring system and binding requirements of the *SAN Climate Module*. When a client – farm or group – is notified of this result, the client may reapply to the *SAN Climate Module* verification process at any desired time. This status has no impact on the client’s *Rainforest Alliance Certified™* status.
- iii. **Cancelled:** The client’s certification with the Sustainable Agriculture Standard and, when applicable, the SAN Standard for Group Certification or the SAN Standard for Sustainable Cattle Production Systems has been cancelled or suspended, and consequently its *SAN Climate Module* approved status is automatically cancelled. From the time of cancellation, the participating producer cannot sell its product as *Rainforest Alliance Certified™* or approved to the *SAN Climate Module*. In this case, reapplication to the Climate Module depends on the client coming back into compliance with the Sustainable Agriculture Network Standards. See section 9 for more detail.

- iv. **Withdrawn:** The client has decided to relinquish its approved status with the *SAN Climate Module*. To withdraw its approved status, the client must present a letter of withdrawal to the relevant Inspection or Certification Body; upon receipt of the letter the Inspection or Certification Body will allow 30 days of validity (to enable the client to finish marketing the products verified against the SAN Climate Module) before officially withdrawing the approved status.

5. Scoring System for SAN Climate Module Verification

Compliance with the *SAN Climate Module* will be verified separately from compliance with the Sustainable Agriculture Standard, but evaluation of both sets of criteria can be combined for any audit. The outcome of a farm or group’s verification against the *SAN Climate Module* will not affect its certification to the *Sustainable Agriculture Network Standard and Standard for Group Certification and/or Standard for Sustainable Cattle Production Systems*.

In order to become verified, a farm must be in compliance with a minimum of 80% of all 15 criteria of the SAN Climate Module. Non-compliance with any or some of the elements defined by a SAN Climate Module criterion will result in the assignment of one of two categories of non-conformities.

- 1. **Minor Non-Conformity (mnc):** indicates compliance with 50% or more of a criterion, but less than 100%. This is worth 0.5 points.
- 2. **Major Non-Conformity (MNC):** indicates compliance with less than 50% of a criterion. This is worth 0 points.
- 2. **Minor Non-Conformity (mnc):** indicates compliance with 50% or more of a criterion, but less than 100%. This is worth 0.5 points.

Scoring System

The verification team will calculate the score for every client as follows.

- a. Conformity at criteria level, calculated with respect to each criterion by establishing a “Respective Score of the Applicable Criterion” (RSAC) as follows:

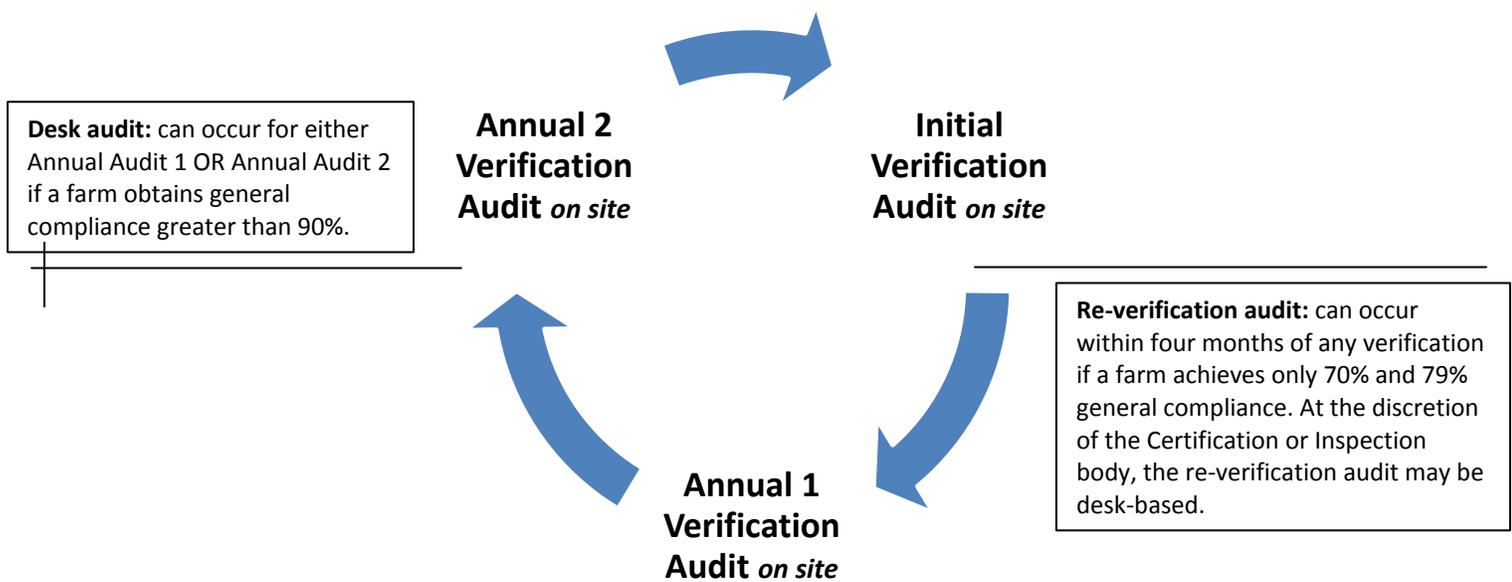
| Level of Conformity | Respective Score of the Applicable Criterion (RSAC) |
|----------------------|---|
| Conformity | 100% |
| Minor non-conformity | 50% |
| Major Non-Conformity | 0% |
| Not applicable | Not to be included in the calculation |

- b. Percentage of general compliance, calculated as follows (and as illustrated by the equation below):
 - i. Sum all scores of the applicable criteria
 - ii. Divide the sum by the number of applicable criteria for the standard

6. Verification Cycle

The three year cycle for verification audits includes the following elements:

- a. An initial verification (Year 0) to earn approved status with respect to *SAN Climate Module* compliance.
- b. Annual verifications (Annual 1 and Annual 2) to maintain approved status. These verifications do not necessarily have to be done 12 months apart, but can be planned to concur with a farm’s Sustainable Agriculture Standards’ certification audit cycle. However, the lapse between the two processes cannot be less than 9 months. Reports for each of the two annual verifications should be submitted to an authorized Certification or Inspection body.
 - i. Annual 1 Verification Report: a minimum of 12 months after the date of verification approval;
 - ii. Annual 2 Verification Report: a minimum of 24 months after the date on which the certificate was issued.



- c. After three years, a new cycle will begin with a new on-site verification. The client must sign an agreement with the authorized Certification or Inspection body to re-initiate *SAN Climate Module* verification.

7. Types of Verification

Within the *SAN Climate Module* verification program, there are three types of verification: on-site, desk-based and re-verification.

- a. **On-site verification:** The objective of on-site verification is to determine the degree of a client's conformity with respect to the *SAN Climate Module* criteria. A verification team with a multidisciplinary focus, directed by a SAN-accredited lead auditor, will perform the verification process.

The onsite verification audit is done at any time during the verification cycle and may be combined with any other SAN auditing process. The scope of the verification is always the same: every visit will consist of evaluation of the farm or group's compliance and annual improvements with respect to the 15 criteria of the *SAN Climate Module*. During this process, the farms will be evaluated in terms of their general compliance with the *SAN Climate Module* and related Sustainable Agriculture Standard and/or Standard for Group Certification criteria. This is done in years 0, 1 and 2.

- b. **Desk-based verification:** In certain circumstances and at their discretion, an authorized Inspection or Certification Body may approve a desk-based *SAN Climate Module* verification audit. A desk-based process is allowed when individual farms or all the verified member farms of a group individually obtain a score greater than 90% on the previous *SAN Climate Module* verification.

In the case of a desk audit, the farm or group administrator must comply with all requirements established by the authorized Certification Body and present the requested documentation on time. That documentation includes but is not limited to a self-evaluation, results of previous processes, corrective actions that show conformity with the findings, and previous non-conformities and relevant inventory and documentation.

- c. **Re-verification**

- i. **Individual farms:** The objective of a re-verification audit is to prove that the non-conformities identified in a previous verification process have been effectively corrected. Farms that obtain a score between 70 and 79% on an on-site verification process may request a re-verification from the Authorized Inspection or Certification Body no later than four months after their last onsite verification. The verification team evaluates on-site and/or desk-based evidence to prove the effectiveness of the improvements made by the farm to resolve the non-conformities. The compliance percentage is re-calculated considering the new evidence. This process applies after any on-site or desk-based verification process.
- ii. **Group administrators and their member farms:** Re-verification of a group's member farms is allowed if at least 50% of the farms in a group achieved higher than 80% general compliance and the remaining 50% of farms achieved at least 70% compliance. In this case, the group administrator may contact the Authorized Inspection or Certification Body and plan an onsite or desk-based re-verification within four months of the on-site verification. The verification team evaluates the evidence to determine the effectiveness of the improvements made by the group's member farms to resolve the non-conformities. The percentage of general

compliance is re-calculated considering any new evidence and the group's status is re-evaluated. This process applies after any on-site or desk-based verification process.

8. Verification Report

- a. The verification report granting approved status to a farm or group administrator and its member farms must include the following:
 - i. A list of group members being verified to the *SAN Climate Module* with names, dates they joined the group, any other assigned identification, certification status, locations, total area, total production area and annual production volume. The farms that make up the sample to be verified should be identified.
 - ii. The production volume that is certified or pending certification, specifying the production volume included within the *SAN Climate Module* verification scope and the percentage it represents of the total. Historical and projected production data should be included for the following production stages: purchase, manipulation, processing, packing and sale. Production volume included within the *SAN Climate Module* scope should be identified as such in all of the data.
 - iii. Description of the traceability system for the *SAN Climate Module*-verified product, along with indications of how the certified product's integrity is managed in relation to the *SAN Climate Module*-verified product if that product is not the same.
 - iv. The scores obtained from the current *SAN Climate Module* audit and previous audits to the Climate Module.
 - v. A list of the verification team's members.
 - vi. Information about the verification activities performed, including: type of audit, date, duration and scope, and if it has been combined with an auditing process for the Sustainable Agriculture Standard and/or Standard for Group Certification and Standard for Sustainable Cattle Production
 - vii. A record of all the non-conformities to criteria of the *SAN Climate Module for farms and recurrent non conformities for groups*
 - viii. Reference of the farm's or group member farms' compliance with Sustainable Agriculture Standard criteria that are linked to the *SAN Climate Module*, as requested in the verification report template.

9. Consequences of Verification Cancellation or Withdrawal

- a. If the farm or group is suspended or cancelled from the SAN certification and cannot market its product as *Rainforest Alliance Certified™*, approval for the *SAN Climate Module* will be automatically cancelled. To renew the approved status for a farm or group, the client must reinitiate the three-year verification cycle.
- b. The consequences of cancelling or withdrawing from SAN certification – stipulated in the Farm Certification Policy and Group Certification Policy – is for all effects binding to the SAN Climate Module status of approved or cancelled.

- c. A farm or group can market its product as approved with the SAN Climate Module “if it complies with the guidelines established by the Rainforest Alliance for marketing Rainforest Alliance Certified™ products. This might require direct communication with the Sustainable Value Chain team of Rainforest Alliance.

10. Conditions and Periods for Requesting Re-Certification and/or Re-Verification

- a. After certification *has been cancelled or withdrawn* and the client wishes to request SAN certification and *SAN Climate Module* approval again, the client must begin a new three-year cycle and undergo the corresponding certification and verification processes.
- b. After a cancellation, the same re-application periods established in the Farm Certification Policy and Group Certification Policy apply.
- c. Clients whose SAN certification has been withdrawn due to their certificate’s expiration may immediately request a new *SAN Climate Module* verification audit provided they do so in conjunction with the certification for the Sustainable Agriculture Network Standards.