



**Sustainable
Agriculture
Network**

Chain of Custody Exemption for Small Volume Participating Operators

- EXEMPTION POLICY -

The Sustainable Agriculture Network (SAN) and the Rainforest Alliance have approved an exemption policy for Small Volume Operators within the Chain of Custody Certification requirements. The guidelines for applicability have been highlighted below. Companies interested in applying for the exemption must complete the Small Volume Exemption Application which will be reviewed by the SAN/Rainforest Alliance Exemption Committee for applicability. A written response will be provided within 4-6 weeks of receipt of a completed application. For any questions regarding this Exemption or to request or submit an application please email sanracoc@ra.org. There is no cost to the operator for this exemption process.

General Provisions

1. The application for the exemption is voluntary on the part of the Operator, and the Rainforest Alliance and Sustainable Agriculture Network reserve the right to award only those who meet the eligibility and characteristics of the requirements within this document.
2. Operators applying for this exemption must meet the characteristics of a participating operator as described in the "Scope" of the SAN RA Chain of Custody Policy, May 2012.
3. Operators who wish to apply for this exemption must have the following business types/characteristics:
 - i. Operators who process, sell or package a final product ready for distribution to consumers; or
 - ii. Operators who take legal ownership but do not change, modify or process the product within the supply chain.
4. The volumes have been approved for coffee, cocoa and tea and are as follows (based on the amount of product purchased from Rainforest Alliance Certified™ farms within a 12 month period):
 - i. **50 MT of Coffee Beans**
 - ii. **22MT of Cocoa Beans**
 - iii. **50 MT of Made Tea**

NOTE: The SAN and the Rainforest Alliance may extend this policy to cover other products, provided they are given sufficient information to objectively identify the characteristics that define a

small-volume operator for these products. Operators purchasing products other than coffee, cocoa and tea may submit their application to sanracoc@ra.org for review. The SAN and the Rainforest Alliance will then conduct an analysis and will make a determination if an Operator's purchasing volume qualifies as "small" for the purposes of this exemption.

NOTE: When the product is in final form, to apply the volume exemption the product will need to be converted into the above unit equivalents.

5. Applicants shall be free of traceability violations and have provided accurate information whenever it was required. A violation of the traceability system occurs when transactions are made by a sales volume greater than the volume recorded as purchased.
6. Applicants must not be using the seal without approval from the Rainforest Alliance and shall have never received valid complaints concerning the integrity of the certified product they sell (valid complaints must never be anonymous and must include specific examples of volume violations and/or examples of products bearing the Rainforest Alliance Certified seal that do not originate from certified farms).
7. Applicants shall be able to demonstrate compliance with traceability requirements for coffee, cocoa or tea (and other crops in the future) – the applicant must be requesting Transaction Certificates or Validations from the Rainforest Alliance with accurate volumes for products from Rainforest Alliance Certified farms.
8. Applicants shall have a procedure to ensure that the certified volume percentage matches any on-package statements or claims.
9. This exemption process will have no cost to the operator seeking exemption.

Conditions

1. In the case of failure to comply with one or more of the previous requirements, or if it is found that the information provided is false, the committee may decide to deny the requested exemption.
2. If the information submitted is insufficient the Exemption Committee may request clarifications or explanations of information necessary.
3. The Rainforest Alliance and the SAN reserve the right to conduct an on-site audit without notice of any of the exempt operators and revoke the exemption granted for one or more of the following reasons:
 - i. Operator no longer falls into the category of small volume, as defined in Section 1 above.
 - ii. Valid complaints are received concerning the integrity of the certified product. A valid complaint would be submitted by an identified person and have data behind it to back up the complaint.
 - iii. Operator has recorded volume violations in the Marketplace traceability system.
4. An exempt operator may, at any time, voluntarily waive the exemption and opt to apply for Chain of Custody certification with an accredited certification body.
5. The exemption is valid for 36 months. After 36 months the operator shall have the right to request a new exemption for an equal time period.

6. Where the validity of the exemption is terminated for any reason, the operator must wait 12 months to reapply.
7. If the exemption as a Small Volume Operator is denied, canceled or not renewed for any reason, the operator must apply for a Chain of Custody audit within 12 months.