RAINFOREST ALLIANCE SUSTAINABLE AGRICULTURE STANDARD

INTRODUCTION

RAINFOREST ALLIANCE

ABOUT THE RAINFOREST ALLIANCE

The Rainforest Alliance is creating a more sustainable world by using social and market forces to protect nature and improve the lives of farmers and forest communities.

ABOUT THIS DOCUMENT

This document accompanies the Rainforest Alliance 2020 Sustainable Agriculture Standard (including its two constituent parts, the Farm Requirements and the Supply Chain Requirements), which forms a key element of the Rainforest Alliance 2020 Certification Program.

It aims to provide readers with an overview of the standard's key features and innovations, along with an understanding of the guiding "reimagining certification" vision that has shaped the development of the program.

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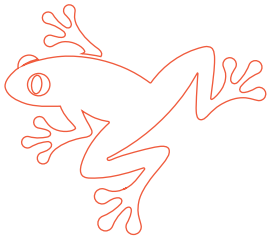
OUR VISION:
REIMAGINING CERTIFICATION



The need for sustainable agriculture has never been greater. Climate change is placing increasing pressure on the natural environment across the world, threatening agricultural production systems, biodiversity and natural resource use. These changes in turn create pressure on food security and living conditions for millions of people, with poor communities in commodity producing countries often the worst affected. Almost a quarter of total anthropogenic greenhouse gas emissions are generated from agriculture, forestry and other land use, mainly from deforestation and agricultural emissions from livestock, soil and nutrient management. Indeed, agriculture is responsible for around 75 percent of global deforestation.

Optimizing harvests on existing cropland is critical to achieve global food security. The race to feed the world's growing population (projected to be 9.8 billion by 2050), while increasing the resilience of farms to climate change, is an urgent priority. Reducing the environmental impact of farming by stopping deforestation, protecting natural ecosystems, reducing the use of harmful agrochemicals and encouraging more effective conservation and use of natural resources is also critical to enable people and nature thrive in harmony.

Agriculture is not truly sustainable if farmers continue to live in poverty and agricultural producers and workers do not enjoy fundamental human and labor rights, including safe and healthy working and living conditions. Sustainable agriculture means constant progress to improving producers incomes & workers wages. Forced labor and child labor have no place in sustainable agricultural systems and men and women must be accorded equal rights and opportunities. Only then can agriculture-based communities engage in sustainable development and truly thrive.

The merger of the Rainforest Alliance and UTZ in 2018 was a natural moment for us to combine our experience and develop a strong, forward-looking approach to certification that is fit for these challenges now facing sustainable agriculture and related supply chains. Certification has had a huge impact in bringing sustainability to the forefront of business thinking, but it must continue to evolve to provide more value to farmers and companies and ensure that people and nature can thrive in harmony.

That is why the Rainforest Alliance is "reimagining certification" to define and implement our long-term vision for the future of certification. It is part of Rainforest Alliance's wider strategy to drive sustainability at scale in the sectors in which we operate through interconnected interventions supporting certification, tailored supply chain services, landscapes and communities and advocacy.

This vision for the future of certification is rooted in several key principles:

- **Continuous improvement** – Sustainability is a journey, not an end in itself. Accordingly, we are moving beyond the classic pass/fail model and adopting an approach that incentivizes continuous improvement.
- **Data driven** – Our new certification program embraces the power of data—meaning better analysis of risks and measurement of performance, new digital tools for farmers, clearer performance insights for companies, and more. This digital shift to a more data-driven approach, in turn, supports our new risk-based assurance model as geospatial technologies, among others, will help certificate holders, auditors and companies make better-informed decisions.
- **Contextualized approach** – We also want to move beyond the one-size-fits-all model to provide a program that is context adaptable, reflecting the vastly different on-the-ground realities between different types of farms and supply chain actors, and the countries and production sectors we work in.
- **Shared responsibility** – Finally, our new certification program promotes a greater sense of shared responsibility across the entire supply chain and encourages companies to invest in and reward more sustainable production through different mechanisms.

2020 CERTIFICATION PROGRAM

The Rainforest Alliance 2020 Certification Program provides the foundation for our approach to reimagining certification. The new standard, assurance system and related data and technology systems are designed to deliver more value to the many people and businesses around the world that use Rainforest Alliance certification as an essential tool to support sustainable agricultural production and supply chains. Our 2020 Certification Program is made up of three principal components that are designed to work closely with each other:

SUSTAINABLE AGRICULTURE STANDARD

FARM REQUIREMENTS

SUPPLY CHAIN REQUIREMENTS

Annexes (binding):
Compliance with the content of the annexes is required in order to be certified.

Guidances (non-binding):
Documents to help users understand, interpret and implement the requirements, but are not binding for audits.

ASSURANCE SYSTEM

- **Certification Rules** to set out how auditors evaluate compliance with the farm and supply chain requirements;
- **Auditing Rules** to ensure that Certification Bodies consistently deliver Rainforest Alliance audits of the highest quality;
- **Rules for Authorizing Certification Bodies** to determine which organizations can carry out audits against the new Rainforest Alliance standard
- **Requirements for Certification Bodies' Personnel**

DATA SYSTEMS AND TOOLS

Certificate holders at Farm and Supply Chain level will register for membership, manage audit processes and record sales transactions of certified products in a new IT platform.

New IT-based tools will progressively be made available to farmers, certificate holders and supply chain actors to better track and manage sustainability performance against the requirements of the Sustainable Agriculture Standard.

The Sustainable Agriculture Standard is split into two constituent documents which work together to promote sustainable agriculture – the **Farm Requirements** and the Supply Chain Requirements.

By providing a framework of sustainable agriculture, the Farm Requirements can help farmers produce better crops, adapt to climate change, increase their productivity, and reduce costs. The standard is designed to support certificate holders to maximize the positive social, environmental, and economic impact of agriculture, while offering farmers an enhanced framework to improve their livelihoods and protecting the landscapes where they live and work.

Sustainability shouldn't stop being a focus after the farm gate, and buyers in certified supply chains must provide increased support to farmers to work more sustainably. With the Rainforest Alliance's 2020 Certification Program, we're aiming to foster transparency, responsible business practices, and shared responsibility by companies throughout the supply chain.

The **Supply Chain Requirements** (formerly called Chain of Custody) and supporting documents develop these aims into a comprehensive set of requirements that better target companies' sustainability investments at farm level, promote responsible business conduct within and outside of companies' operations and therewith create more structurally balanced supply chains. The Supply Chain Requirements therefore address more topics than the 'traditional' traceability rules.

The Farm Requirements and the Supply Chain Requirements both contain significant structural and thematic innovations that support the vision of 'reimagining certification'.

STRUCTURAL INNOVATIONS

CONTEXTUALIZATION

By introducing a system that uses a contextualized approach, users of the program will be provided with only the requirements that are relevant to their situation. Understanding and adapting to context is key to ensuring a certification program accurately addresses the issues that matter most.

Applicability of requirements

In the new program, a first step has been made to provide more contextualization to both producers and companies within supply chains.

After supplying information about their set-up, producers receive the requirements that are applicable to them. In the coming years we expect to introduce more specific requirements to better match those issues relevant to the producer.

This also is relevant to supply chain actors – a contextualized approach means that supply chain actors looking to achieve certification against the 2020 Sustainable Agriculture Standard will receive the requirements that are relevant to their situation, and therefore will not necessarily have to be verified against every requirement in the standard. All of the requirements in the document could potentially be applied, but the context within which a company is operating will determine the extent to which this is the case.

Context-specific targets using Smart Meters

Continuous improvement in farming is incentivized through the introduction of "Smart Meters". Instead of a pass/fail approach, farmers are asked to measure their performance against their own goals and build up better data to support their progress. As a result, Smart Meters then provide producers with a way of setting targets that fit their context.

RISK-BASED ASSURANCE

The 2020 Certification Program introduces risk as a key component. Identifying and understanding local risks in agricultural supply chains can provide guidance to producers and supply chain actors as to where they should focus their improvements for maximum impact. At the same time, incorporating risk into the assurance process can equip auditors with more effective knowledge when carrying out checks and can help them target the issues that matter most. Risk-based assurance relies on the collection and verification of credible and useful data as well as compliance evidence. Assurance is geared toward identifying where the highest risks lie within the supply chain to establish efficiencies for third-party auditors or internal verification checks. The intent is not to lower the involvement of certification bodies, but to target their efforts more effectively.

Supply Chain Risk Assessment (SCRA) for Supply Chain Actors

As part of the assurance system, data is collected through an assessment of supply chain actors, comprised of a questionnaire that evaluates the potential risks of an organization's operations on individual site level in order to determine the type and frequency of verification required. The questionnaire is based on the activities, location and crop information in combination with other internal and third-party data (volumes, compliance, social risks, and others) specific for each individual operation. The organization's profile results in a contextualized checklist of both mandatory and available self-selected requirements.

Once the list of applicable requirements is confirmed by the organization, the SCRA then determines the level of verification required to address the organization's contextualized checklist. Additional compliance documentation can be provided by the organization against the mandatory requirements which will be considered as possible mitigating factors to decrease the verification level. The SCRA can be broken down into two parts: 1) the contextualized checklist of mandatory and self-selected requirements and 2) the level of verification needed to assess compliance.

DATA

Geospatial Data

Geospatial analysis is used to support and monitor the performance against key requirements of the Sustainable Agriculture Standard.

In preparation for audits, the GPS locations of certified farms will be checked for any evidence of forest conversion since 2014, based on a customized forest baseline map. This automated risk assessment will help auditors to more effectively detect deforestation and will also help group

management to better address deforestation risks amongst group members.

Farm Intelligence App
The Rainforest Alliance has developed a digital tool - the Farm Intelligence App - to ensure producers have access to credible data that supports decision-making on management and continuous farm improvement. It is designed to provide producers with access to the data, tools, knowledge and support they need to improve their practices, tailored to their own situation.

STEPWISE APPROACH

In line with the Rainforest Alliance's Continuous Improvement approach to the 2020 Certification Program, many of the innovations in the standard will use a 'stepwise' approach to sustainability, which introduces requirements gradually over time.

By applying a stepwise approach for innovative topics, we aim to gradually improve environmental, social as well as economic conditions in farming and along the supply chain. All relevant stakeholders will be notified in advance of any changes that would affect them in good time to adopt any modifications.

THEMATIC INNOVATIONS

THEME: LIVELIHOODS

Too many farmers live in poverty and cannot afford to adopt more sustainable farming practices. In addition, when farmers do demonstrate their sustainable practices through certification, too often they do not recover the costs through a better price for their goods. On larger farms, workers often earn a wage that is not enough to cover their cost of living.

The 2020 Certification Program seeks to improve rural livelihoods by helping farmers boost their productivity and by introducing new mechanisms to reduce the systemic imbalances in global supply chains.

Shared Responsibility

Adopting more sustainable practices often requires significant up-front investment. Many farmers and producer groups simply cannot afford these additional costs — and those who are investing in sus-tainability are often not rewarded for their efforts with a better price for their goods.

The best way to tackle this imbalance is by promoting greater shared responsibility across the entire supply chain. Accordingly, our new certification program aims to ensure that the risks, costs, and benefits of sustainability transformation are spread more evenly between producers and buyers.

This aim results into a set of requirements around two new concepts: Sustainability Differential and Sustainability Investments, with different responsibilities both at farm and supply chain level.

Both the Farm Requirements and Supply Chain Requirements include sections on these programmatic requirements:

- Chapter 3.1 - Production Costs and Living Income
- Chapter 3.2 - Sustainability Differential
- Chapter 3.3 - Sustainability Investments
- Chapter 3.4 - Living Wage (self-selected)

Sustainability Differential and Sustainability Investments

The Sustainability Differential is a mandatory payment of an additional cash amount to certified producers over and above the commodity market price. This payment is intended to recognize the farmer's sustainability efforts as assessed by compliance against the farm requirements and to incentivize the continued uptake of sustainable production practices.

The 2020 Sustainable Agriculture Standard does not set a mandatory level of Sustainability Differential to be paid. Specific guidelines will be developed for different sectors on how this should be implemented.

In addition, buyers of Rainforest Alliance certified products are required to make 'Sustainability Investments' needed to enable producers in their supply chain to be compliant with the Farm Requirements and report on them. Investments are in accordance with farm certificate holders' investment plans that categorizes investment needs into: those that are required for producers to fulfil core compliance or mandatory improvement requirements as well as the cost of achieving certification (e.g. IMS implementation and audit costs). Other than the cash Sustainability Differential, investments can be delivered to farm certificate holders in cash or in kind.

Living Wage & Living Income

To drive progress towards achieving a living income for producers and a living wage for workers, it is crucial to first help farms to assess the reality in their operations and then create a pathway to close the gap. In the new program, large farms are required to complete a salary matrix tool to identify the difference between current payment levels to workers and the living wage benchmark, and if there is a gap then develop a wage improvement plan in consultation with workers' representatives to gradually attain living wages

To drive the shared responsibility principle within supply chains with respect to the right to a living wage, the standard offers a self-selected Living wage set of requirements, which is a mechanism to conduct due diligence on wages and facilitate dialogue across the supply chain. Farm owners and buyers who agree to work together to achieve improvements in wages paid to workers (in scope of the farm certificate holder) can use these requirements to move towards paying a living wage and rely on robust evidence to monitor progress made.

The program also defines the necessary steps towards making a living income a reality for producers. A Living Income Tool has been developed to allow certificate holders to estimate the producer's net income and identify the gap

between that and the living income benchmark for their country. This tool is not yet a mandatory requirement and will be available for a limited number of countries at first, starting with Côte d'Ivoire and Ghana, and will be progressively developed to include a wider range of contexts. Certificate holders can then select to report on improvements towards the payment of a living income for producers as part of their continuous efforts to improve the livelihoods of their members and their commitment to sustainable agriculture.

Boosting Productivity and Better Farm Management

The Farm Requirements place a bigger emphasis on better farm management with the introduction of a Digital Internal Management System. This new tool, which facilitates detailed data collection at the farm level, will enable farmers to analyze their performance and make more-informed business decisions. It will also support the certification process by providing greater transparency to auditors on the current state of producer's performance and actions taken to support improvement. In addition, the standard includes a number of requirements that are to improve the implementation of processes to maintain traceability processes at farms and group level. Those requirements are similar, if not identical, to those for supply chain actors, given that farming is a business after all and that we aim to boost farms to becoming successful businesses.

THEME: HUMAN RIGHTS

Due diligence approach for social issues

Human rights abuses have never been – and will never be – tolerated by the Rainforest Alliance. What we have learned through many years of experience is that only prohibiting child labor and other labor and human rights violations is insufficient. For example, if automatic decertification is the response for any detected incident of child labor, this will likely drive the problem underground, making it harder to detect by auditors and harder for us to address. That's why our new certification program promotes an "assess-and-address" approach to tackling labor and other human rights violations.

This new, risk-based approach aligns with growing international consensus around good practice in human rights due diligence as laid out by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This approach will require certified farms and supply chain actors to assess and mitigate labor and human rights risks, monitor the effectiveness of the mitigation measures to prevent cases from happening and lastly, when violations are identified, remediate these cases. The new approach also puts the interest of the child and other persons at risk at the center of the approach.

Without solving the root causes of these social issues/labor and human rights violations, the problem will not go away. That's why Rainforest Alliance promotes collaboration between certified farms, governments, civil society and supply chain partners to solve these issues together.

Supporting gender equity

The new standard also takes a stronger and more consistent approach to addressing gender in-equality, requiring the collection of disaggregated data to identify gaps. The requirements oblige certified farms and supply chain actors to appoint a liaison representative or committee to prevent, monitor, and remediate gender discrimination or harassment. As with the previous Rainforest Alliance and UTZ standards, the new standard continues to include protections for vulnerable groups, such as pregnant women, workers who handle pesticides, workers who live in employer-provided housing, and migrant workers recruited through third-party labor providers.

Inclusion of Social Requirements for High-Risk Operations Supply Chain Actors

The risk of social issues occurring – safe working environments, freedom of association for workers, gender inequality, for example – doesn't end at the farm gate, and so the 2020 Sustainable Agriculture Standard aims to ensure that high-risk operations within the supply chain address these issues.

To allow supply chain actors to adapt to this approach, the system makes use of context-ualization to ensure that social requirements will apply to only those supply chain actors that present risks in social topics as identified through the Supply Chain Risk Assessment process. To begin with, these requirements will only have potential applicability for first processors after the farm certificate.

THEME: CLIMATE

Farmers across the world's tropical regions are particularly affected by the effects of the climate crisis. Amid soaring temperatures and unpredictable weather patterns, farmers must contend with daunting challenges such as drought, shorter growing seasons, and more frequent outbreaks of pests and crop diseases. In response to these pressing challenges, the requirements in the new standard focus greater attention on helping farmers boost their climate resilience

Climate-smart agriculture

We have seen firsthand how climate-smart agriculture techniques can help farmers adapt to immediate challenges and prepare for future threats. What makes climate-smart agriculture "smart" is that it is a context-adaptable approach. The first step is to assess the climate risks faced by a specific farm or farming community, taking the local ecosystem and the main crop into account. For example, a low-lying banana farm in Latin America that is vulnerable to flooding would require a very different climate-smart approach to a high-altitude coffee farm in East Africa suffering from unusually long periods of drought. Depending on the risks identified, farmers are encouraged to apply a combination of sustainable farming methods designed to tackle those specific challenges. This could include building rainwater harvesting systems to manage water stress; or manual weeding, where noxious weeds are removed, and soft weeds are left behind to help replenish soil and prevent soil erosion.

The beauty of this approach is that it not only supports improved agricultural productivity which is essential to protect — and even improve — farmers' livelihoods in the face of climate change, but it also conserves natural resources and brings a whole host of environmental benefits for protecting biodiversity, contributing to the long term environmental sustainability of local ecosystems. It is also important to note that Climate-smart agriculture is in fact the targeted application of a combination of sustainable farming techniques, rather than a separate approach. For this reason, its principles are embedded throughout the 2020 Sustainable Agriculture Standard, and do not constitute one distinct section of the program.

THEME: FORESTS & BIODIVERSITY

The Rainforest Alliance uses a comprehensive range of strategies to conserve forests around the world and protect thriving, biodiversity-rich ecosystems.

Biodiversity

In order to protect and conserve biodiversity, the 2020 Certification Program places a strong emphasis on habitat conservation. For example, Rainforest Alliance certified farms are required to maintain and increase the diversity of natural vegetation. To support this, the new Sustainable Agriculture Standard promotes practices such as agroforestry. Certified farms are also required to take steps to diversify their production systems and support critical ecosystem services such as pest control and pollination. Additionally, farmers must also support the protection of endangered species and other native flora and fauna by prohibiting hunting, minimizing the spread of invasive species, and taking steps to minimize human-wildlife conflict.

Areas of High Conservation Value

High Conservation Value (HCV) areas are areas of outstanding biological, ecological, social, or cultural significance. Protecting HCVs helps to conserve critical environmental and social values, and is fully aligned with the goals of the Rainforest Alliance's agricultural standard.

In the new standard, farms will be required to assess risks to the integrity of HCVs on or near their land through a risk assessment questionnaire and address these risks through mitigation actions. Risks include proximity to protected areas and key biodiversity areas, including intact forest landscapes and wetlands. If a Rainforest Alliance Certified farm is on or near (within ~2km) one of these areas, the risk mitigation protocol requires the protection of key conservation attributes of those areas, such as rare, threatened, or endangered animal and plant species and their habitats, through specific management actions.

Pesticides

The Rainforest Alliance's commitment to advancing the use of more sustainable agricultural practices includes a more holistic approach to reducing the environmental impact of agriculture. Techniques such as Integrated Pest Management (IPM), that offer a natural alternative to hazardous pesticides, are key to achieving this. A long-term

and lasting reduction in the use of pesticides cannot be achieved by stricter rules alone. Rather, a fundamental change in how farms manage pests and crop diseases is required. Harmonizing both a science-based and field-based approach, the Rainforest Alliance plans to gradually move, over the course of the next few years, towards more crop-specific IPM approaches. In the short-term we will merge the Rainforest Alliance and UTZ's lists of prohibited pesticides to present one merged approach, to be included in the 2020 Certification Program.

Deforestation

Over the past 30 years, the Rainforest Alliance has developed a comprehensive 360-degree approach to protecting the world's forests. In line with the approach advocated by the Account-ability Framework Initiative — and other leading environmental NGOs — our new program prohibits not only deforestation but also the destruction of all natural ecosystems, including wetlands and peatlands—meaning more land will be protected. Farms that have destroyed natural ecosystems since 2014 will not be able to be certified. We have chosen 2014 as the baseline year for measuring the conversion/destruction of natural ecosystems, for several reasons. Satellite data is more readily available from that year onwards, providing more robust data for improved assurance. In addition, previous Rainforest Alliance and UTZ systems had different cut-off dates for different forests. Choosing one rule for all makes the requirements and implementation clearer.

In preparation for audits, the GPS locations of certified farms will be checked for any evidence of forest conversion since 2014, based on a customized forest baseline map. This automated risk assessment will help auditors more effectively detect deforestation and will also help famers to better address their deforestation risks within their group management. The new standard also requires farmers to increase tree cover on existing farms and in agroforestry systems or conservation lands to minimize the impacts of farming on climate and biodiversity.

STANDARD DEVELOPMENT

The Rainforest Alliance is a full member of ISEAL. The 2020 Sustainable Agriculture Standard has been developed in accordance with the ISEAL Standard-Setting Code of Good Practice, ensuring that the documents are relevant, transparent, and reflecting a balance of stakeholder interests. Between December 2018 and August 2019, two public consultations on the standard were held to gather feedback on proposals for the requirements.

These consultations received input from more than 1,000 people in nearly 50 countries, representing over 200 organizations, from farmers, companies, NGOs, governments, and research institutes.

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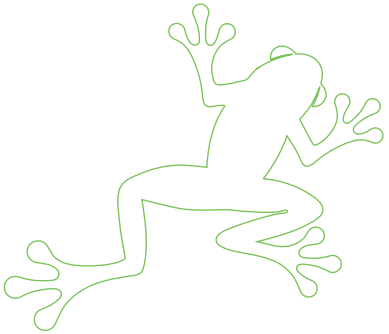
CONTINUOUS IMPROVEMENT OF THE 2020 CERTIFICATION PROGRAM



Just as the Sustainable Agriculture Standard is designed to promote continuous improvement by producers and supply chain actors, Rainforest Alliance is committed to continuously improving its work, adopting a continuous improvement approach to including the 2020 Certification Program. The ISEAL Alliance Standard Setting Code requires a review of standards "at least every five years for continued relevance and for effectiveness in meeting its stated objectives". In the past this has meant undertaking one major standard revision exercise every five years. In our new approach the Rainforest Alliance will collect data from program users on an ongoing basis and make smaller adjustments to ensure the program has the biggest possible impact, is user-friendly, and supports effective implementation.

The increased availability of data on implementation that will be facilitated by the new data systems will also be used to make improvements and updates to the certification system.