Rainforest Alliance Tea Traceability in MultiTrace Webinar

Rainforest Alliance webinar

April 2022

Agenda

1. Rainforest Alliance Standard requirements for farms and companies
2. Rainforest Alliance traceability requirements
3. Reporting in MultiTrace

Q&A

4. Call to Action
5. Wrap-up and resources

Q&A

Please add your questions in the Q&A box.

1) Standard Requirements

Standard Requirements

Chapter 1:
Management

Chapter 2:
Traceability

Chapter 3:
Income and shared responsibility

Chapter 4:
Farming

Chapter 5:
Social

Chapter 6:
Environment

What is part of our Certification Program?

+

Annexes (binding)

- Applicable annexes depend on your scope and activities.
- Most relevant today: Annex S6 on Traceability

Guidance's (Currently A – R, non-binding)

Policies and rules – binding

- Most relevant today: our Labeling and Trademarks Policy

Terms & conditions - binding

- Rainforest Alliance License Agreement General Terms and Conditions

*Check our **general guide for the implementation of the Sustainable Agricultural Standard***

Supply Chain CH Transition Milestones

Milestone		
Register in the Rainforest Alliance Certification Platform (RACP)		
Confirm scope (including all crops, locations, subcontractors) and generate list of applicable requirements		
Request and sign OR upload existing **2020 License Agreement**		
Receive Supply Chain Risk Assessment results and **Verification steps** (via email from Rainforest Alliance)		
Complete **Self-Assessment**		
Undergo an **Audit**	**OR**	Submit your **request for endorsement**
Close all non-conformities		Rainforest Alliance reviews license/ endorsement request
The CB takes certification decision		
Obtain a **2020 SAS certificate and/or endorsement** Receive a **license** to use the Rainforest Alliance Traceability Platform		

Key Changes in the Transition Timeline - Farms

Current PM RA/UTZ Program end
AND
Transition Period Start

Second transition year starts, audits based on Version 1.2 of the standard

Full 3-year certification cycle audits start

Only CORE requirements apply

December 1, 2022
Deadline to obtain 1st transition certificate

July 1 - September 30
Extended window to start 1st transition audit

June 30, 2023
Deadline to finalize 2nd transition audit

Key Changes in the Transition Timeline - Supply Chain

Current PM RA/UTZ Program end
AND
Transition Period Start

Full certification cycle audits start

December 31
Final deadline for obtaining a (Transition) Certificate and License to Trade

Your certificate deadline may be sooner!

Transition year
All audits are remote and result in a one-year transition certificate

July 1 – Sep 30 2022
Extended window for transition audit upon request through CB

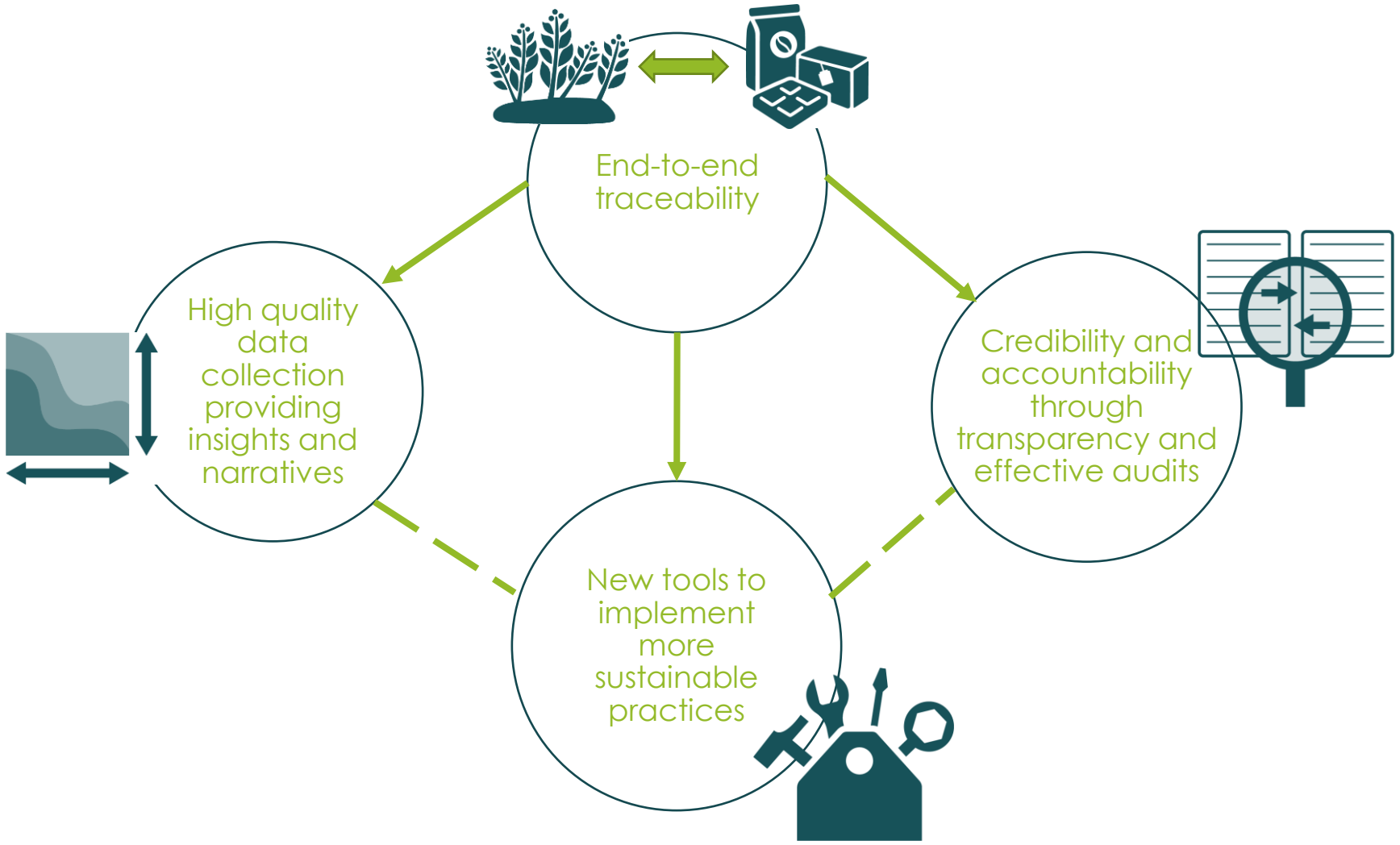
July 1, 2021 – June 30 2022

July 1 2022
Start of full-scale audit (3-year cycle) for new SCAs and SCAs not requesting transition audits, based on version 1.2 of the standard

2) Traceability Requirements

Connecting the dots

Technology and data-powered certification system:



Value of Traceability to Rainforest Alliance

Credibility

- Verification of traceability via 3rd party certification schemes provides credibility to company sourcing and sustainability claims.

Reporting / Insights

- Tracking and registering the volumes purchased and sold provides insights into supply and demand, allowing us to allocate resources / prioritize

Revenue Generation

- Having volume transactions registered in a system gives us a consistent mechanism to trigger invoices and collect royalties / program fees to fund our work

Accountability / Shared Responsibility

- Traceability allows us to monitor end to end supply chain trading – it gives us access to all entities, the ability to assess and manage the risks within the value chain, and hold SCAs accountable for their purchasing decisions

Value of Traceability to Our Partners

Credibility

- Verification of traceability via 3rd party certification schemes provides credibility to company sourcing and sustainability claims.

Reporting / Insights

- Knowing the origin and performance information from the production of raw materials allows SCAs to better understand and manage their SC risks, brings financial transparency, facilitates the "right" conversations with suppliers, and builds stronger relationships with producers
- Better visibility of demand (volumes and performance) allows producers to tailor their approach, act on potential opportunities, and request / access investment

Developing Demand / Claiming Potential

- Traceability provides the basis for seal use, but with the ability to also connect volumes to further performance data points, the potential for expanded narratives for brands and results-based claims is unlocked
- Value to consumers when leveraged for consumer engagement

Traceability Requirements

Key information on traceability requirements

- To trade volumes of Rainforest Alliance Certified crops, you need a valid license to trade.
- All buying and selling of Rainforest Alliance Certified volumes are recorded in the online traceability platform, at the latest two weeks after the end of the quarter.
- Traceability Reporting entails: sales, conversions, confirmation, redeeming / removing of the certified product.
- Physical movement of goods to any entity *not* within the scope of the CH (including subcontractors) *and* involved in processing must be announced in the traceability system
- Traceability extends to Retailers *(further guidance will be forthcoming)*

Further information on traceability requirements: Annex s6: Traceability, and the Guidance Document on Traceability

Highlights of Requirement Changes

Pre-merger programs	2020 RA Certification Program	Applies to
Transactions must be reported in traceability platform 30 days after the end of a calendar quarter in which a sale took place	Transactions are reported at latest two weeks after the end of the quarter in which a sale took place	All CH
CHs required to report transactions in the traceability system when a **legal change of ownership** takes place	CHs required to report **physical movement** of certified product if product is physically moved outside of the scope of their Certificate **and processes** the volume	All CH
pm UTZ: Premium reported in MultiTrace **pm Rainforest Alliance**: No premium required or reported	Brand reports SD/SI to be paid on quarterly volumes redeemed after 1 July 2022 (further guidance and requirements forthcoming, payments commence 1 January 2023)	Brand Owners
Traceability ends at the final product packer	Traceability extends to retailers *(further guidance forthcoming)*	All CH

What Does Full Mutual Recognition for Tea Mean?

Full Mutual Recognition has been available since January 31, 2022

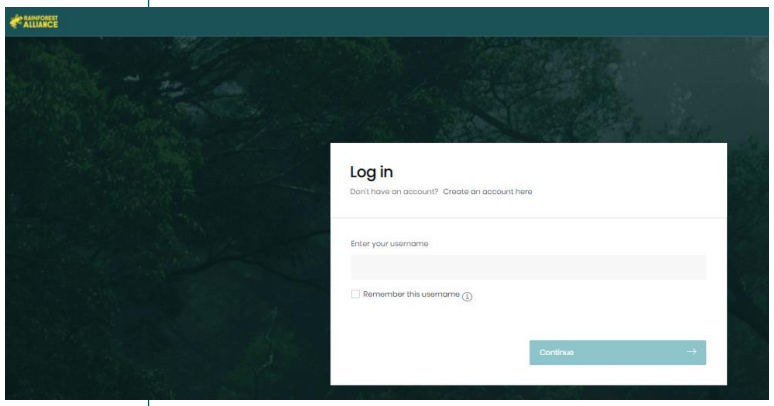
- **All volumes, licenses and certificates – pm Rainforest Alliance and pm UTZ - are treated in the same way that we treat our new 2020 standard volumes and licenses and as such are considered "Rainforest Alliance Certified".**
- **Applies to all traceability levels**: Identity Preserved, Mixed Identity Preserved, and Segregated.

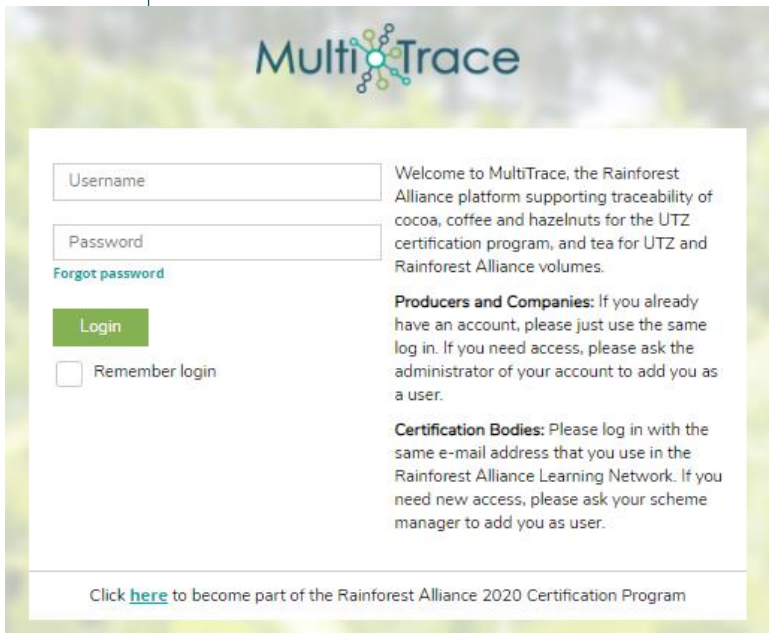
What does this mean for you?

- **No need for physical/administrative separation**: New and legacy volumes do not need to be kept physically and administratively separated in MultiTrace or in your own administration.
- **Manage product flow for one program:** In MultiTrace you only need to manage the product flow for one program (Rainforest Alliance) instead of three programs (UTZ, 2017 Rainforest Alliance, 2020 Rainforest Alliance).

3) Reporting in MultiTrace

How to Access Your Accounts?





Access your account:

Rainforest Alliance 2020 volumes:

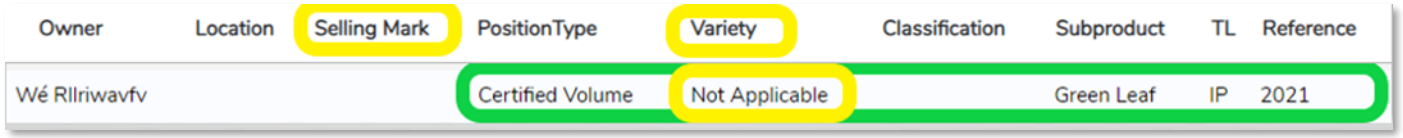
- Login page
- Use your account created when registered in RACP for the new program

UTZ/Rainforest Alliance 2017 volumes in MultiTrace (for the first time):

1. Enter Login page
2. Reset your password ("forgot password") with the username that you previously used in GIP
3. You will receive a link at your registered email address to set your password and log into MultiTrace.
4. If you do not receive the email, please contact us at customersuccess@ra.org

Important to Know

All Producer Volumes are available as Green Leaf in MultiTrace as Certified Volume. These volumes should not have a variety associated with them.



Owner	Location	Selling Mark	PositionType	Variety	Classification	Subproduct	TL	Reference
Wé RIlriwavfv			Certified Volume	Not Applicable		Green Leaf	IP	2021

Green leaves

Made tea

Varieties to be added along with **Selling Marks**

Green Leaf cannot be sold outside of the country of origin, the **selling mark** should be **blank** and the variety should be always **Not Applicable**.

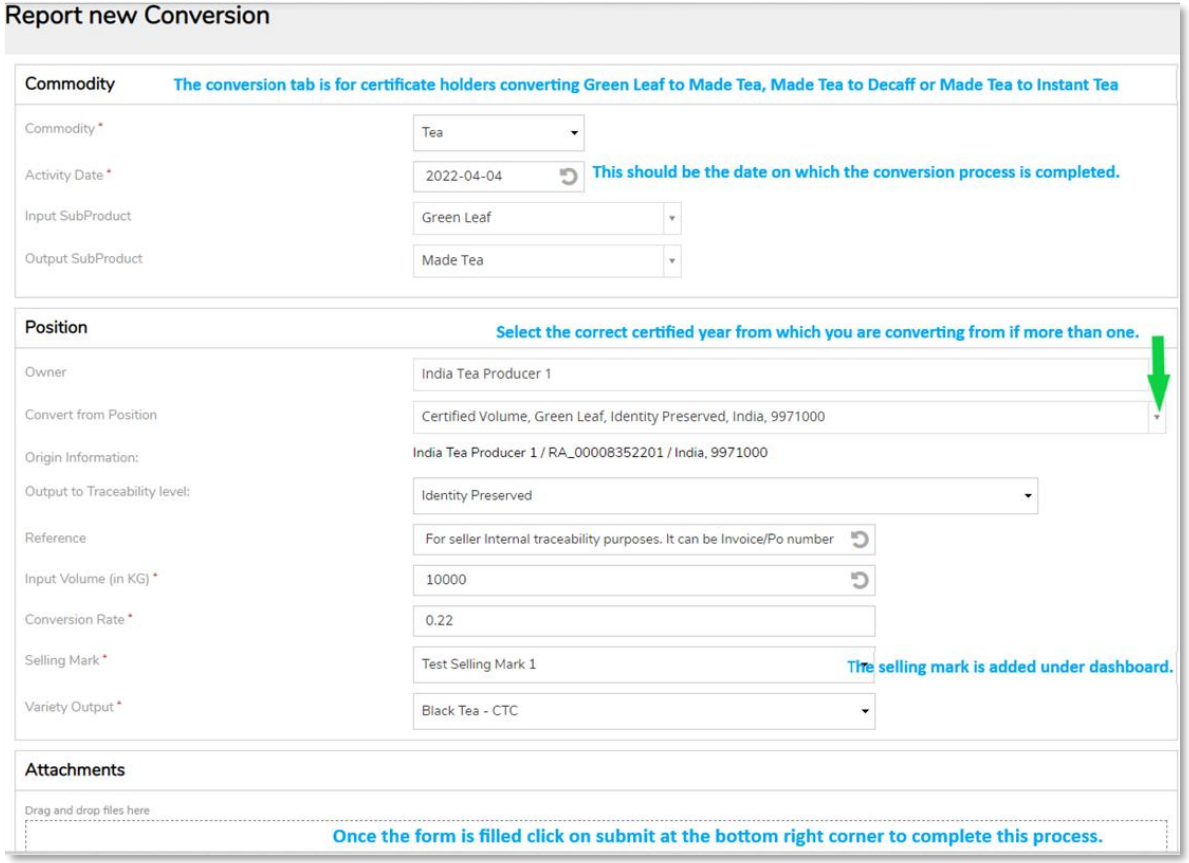
Selling Mark: the name under which the factory sells its tea. **Selling marks are generated in MultiTrace by the producer CH**

MultiTrace Overview of Requirements

MultiTrace has its own set of fields linked to every activity

Green Leaf to Made Tea

- **Activity Date**
- **Owner**
- **Selling mark** (as designated by the user, and the leading reference as it appears in your "Certified Product" position)
- **Input volume** of green leaf
- **Conversion rate**
- **Traceability level** (IP, segregated)
- **Variety** (whether producing black tea, green tea, etc.)



CONVERSION

MultiTrace Overview of Requirements

MultiTrace has its own set of fields linked to every activity

NOTES:

Auction sales should be declared by the producer to the buyer, not intermediaries

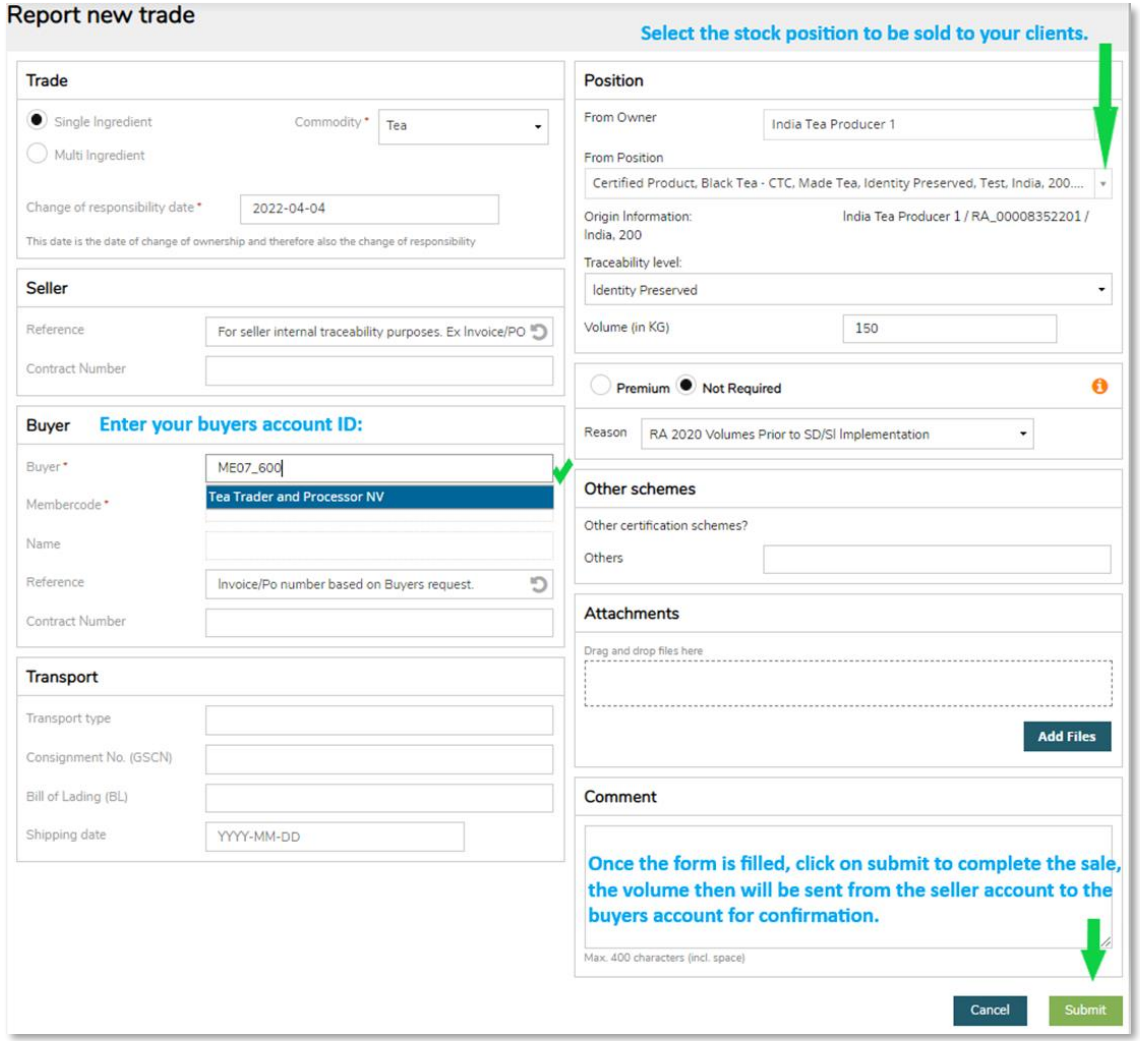
Price information is **not** entered anywhere in MultiTrace

If you are not purchasing green leaf, you **should not** confirm transactions of green leaf

TRADE

Sales of Made Tea

- **Position** (specific selling mark ID of made tea in "Certified Product" or "Stock")
- **Volume sold** (comes from a specific selling mark)
- **Variety** (green tea, black tea, etc.)
- **Position Type** (Certified Product, Stock)
- **Reference #** (i.e. chop/garden invoice #)
- **Change of responsibility date**
- **Traceability Level** (IP, segregated)
- **Buyer name/ID**
- **Transport type** (not mandatory)
- **Consignment #** (not mandatory)
- **Bill of Lading** (BL#) (not mandatory)
- **Shipping Date** (ideally the transportation date)

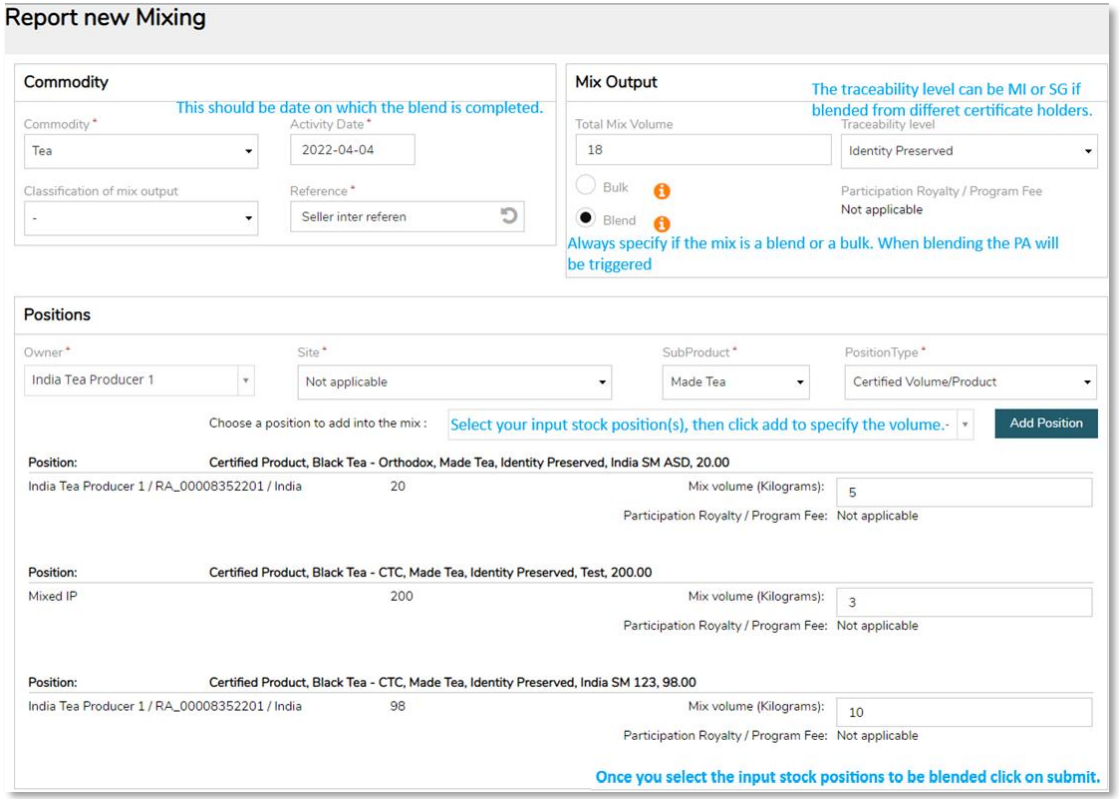


MultiTrace Overview of Requirements

MultiTrace has its own set of fields linked to every activity

Blending Made Tea

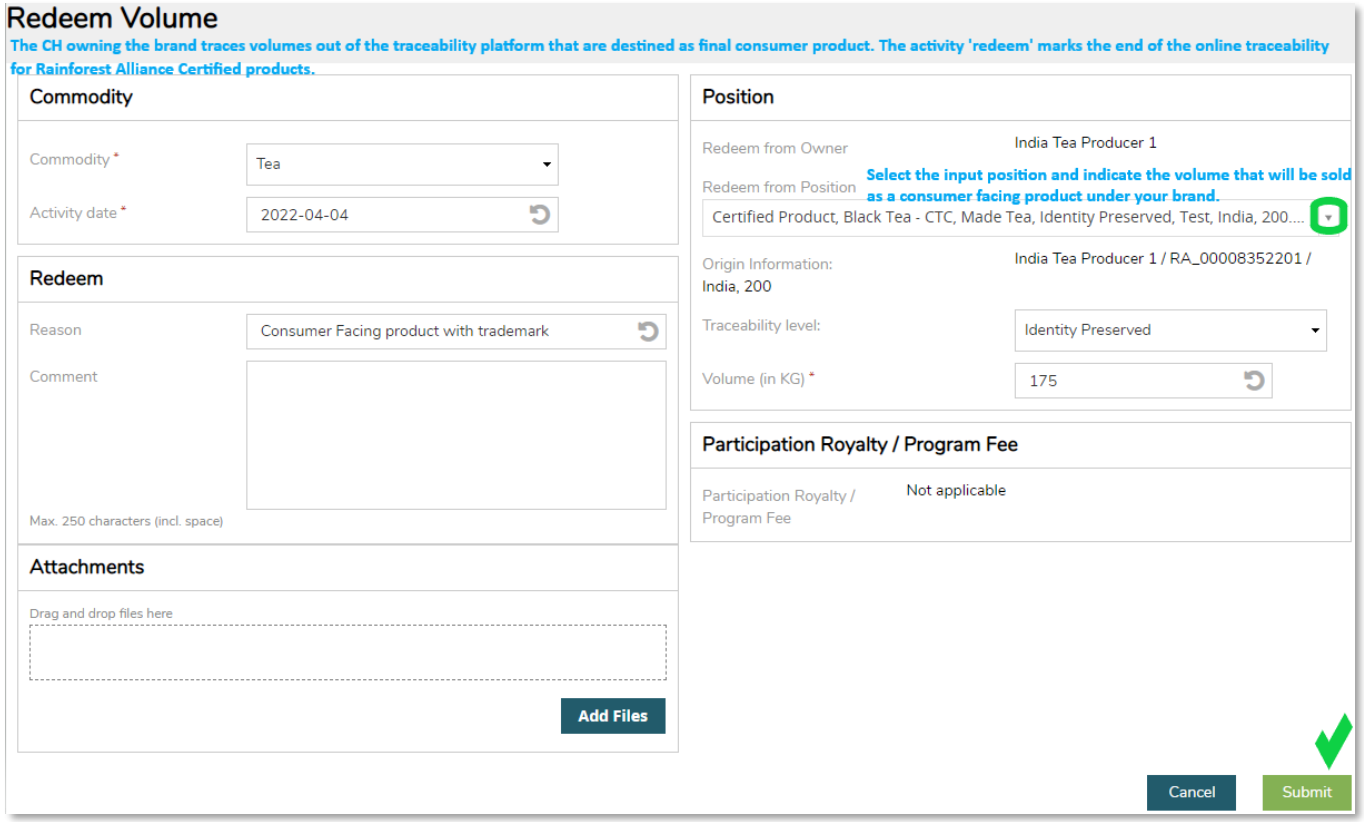
- **Position** (specific selling mark(s) or Blend ID of a blended tea in your Stock)
- **Raw material volume** (from either a specific selling mark(s) or an already blended tea in your Stock)
- **Position Type** (in your case "Stock")
- **Activity date**
- **Reference #** (i.e. blend ID, the product of your blend activity, as designated by you, and the leading reference as it appears in your "Stock")
- **Total Volume**
- **Traceability Level** (IP, segregated – these are predefined in your Stock positions, as they are being received from your supplier, but you would have an option to downgrade if so desired)
- **Subproduct**



MIXING

MultiTrace Overview of Requirements

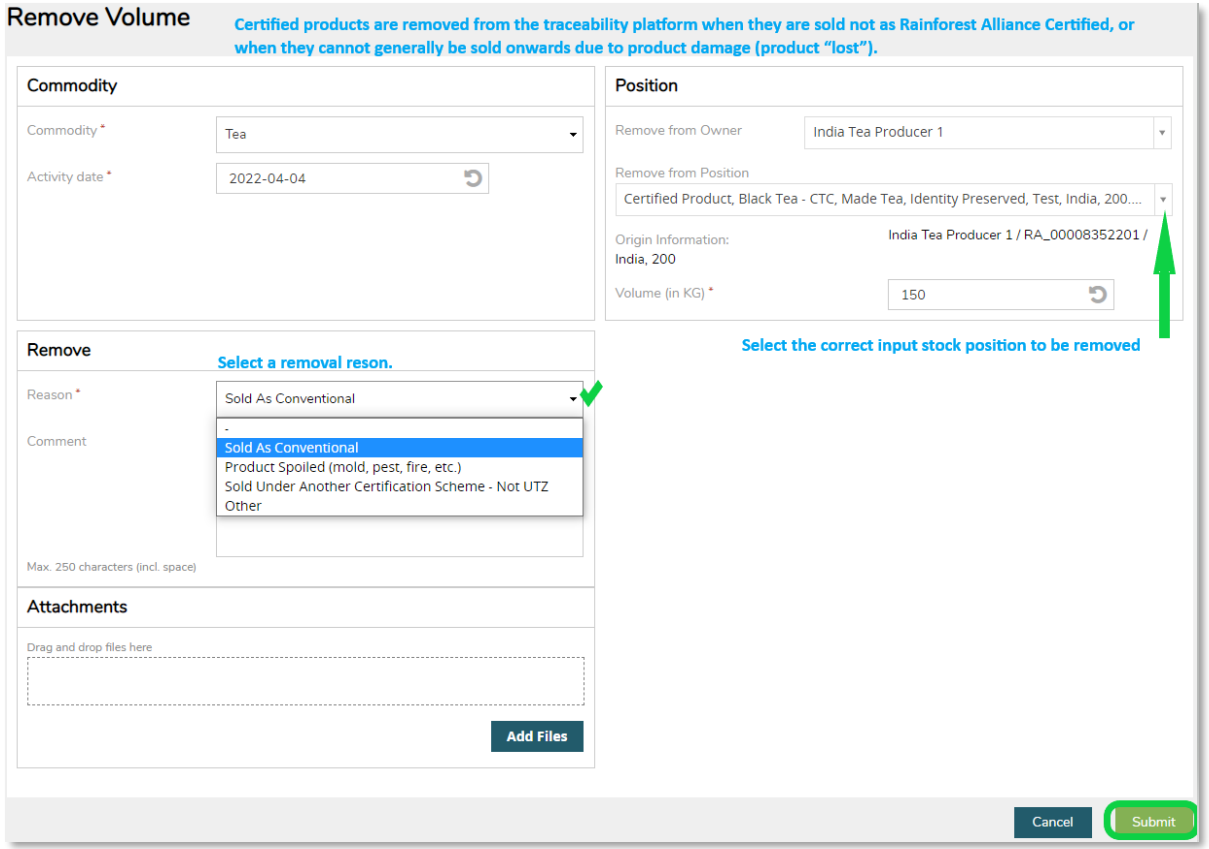
MultiTrace has its own set of fields linked to every activity



REDEEM

MultiTrace Overview of Requirements

MultiTrace has its own set of fields linked to every activity



REMOVE

4) “Call to Action”

Potential Consequences of Non-compliance

Deadline: 1st July 2022

We are requiring system use of MultiTrace for all supply chain actors with no exceptions by July 1, 2022.

From this date, Rainforest Alliance will be enforcing the Standard Requirements and Traceability Annex, as well as Rainforest Alliance License Agreement Terms and Conditions.

Non-conformities may be issued at the time of auditing against our Standard Requirements regarding traceability

Rainforest Alliance may exercise its rights to curtail or take away:

- Your ability to claim product as Rainforest Alliance Certified to buyers, consumers or the general public
- Your ability to use our seal and marks

What We Offer with End-to-End Traceability

Current situation:

Non-conformance and Reach

- Insight on your supply chain at country level and how does it compare to the total supply chain
- Total and average certified area, total certified volume produced, and number of non-conformities.

Traceability

- Insight on the amount and origin of the certified volume purchased, who is supplying those volumes, what type of product is been purchased and to whom, and which volume are you selling.

What We Offer with End-to-End Traceability

Future situation:

Certification data

- Indicators
- Smart Meters

Credibility

- No “fraud” – certified vs conventional

Result-based claims

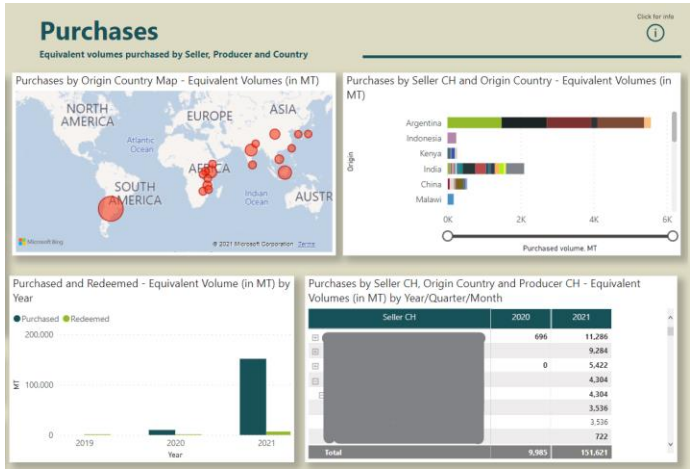
- Volume/origin
- Investment
- Impact

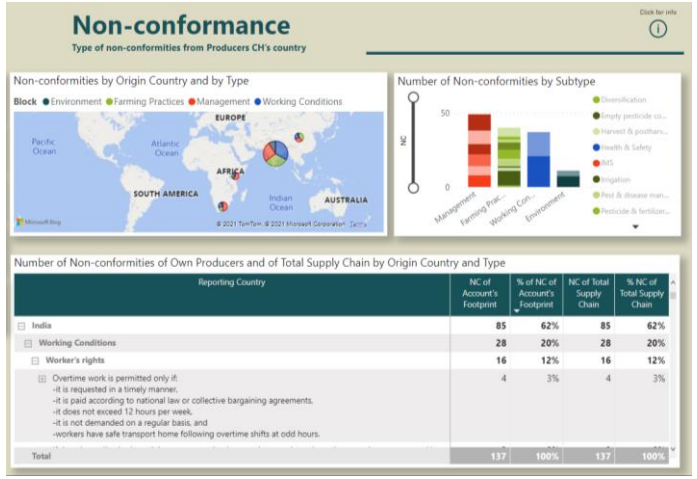
SD & SI

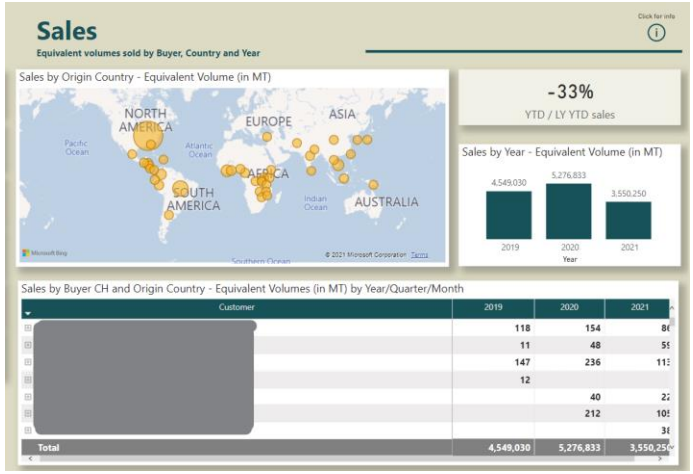
- Farm certificate holders will not receive future SD/SI payments if transactions are not reported in MultiTrace up to brand owner level.

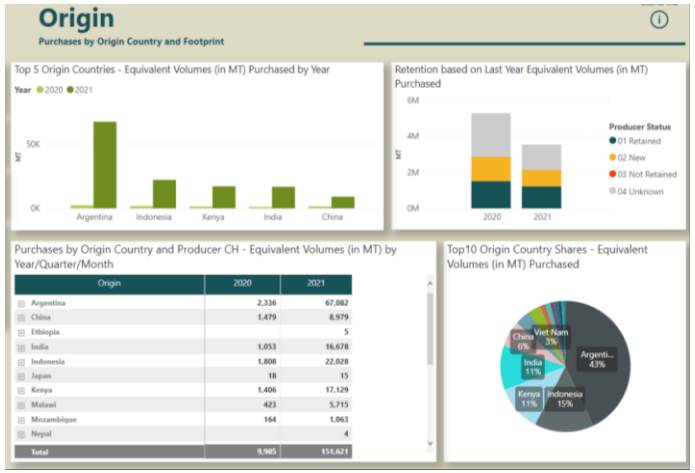
Potential Reporting

This information is only possible if your supply chain is engaged in using traceability









Data Integrity

Our privacy policy:
https://www.rainforest-alliance.org/privacy-policy/

Section 11: Transparency and Confidentiality of our General Terms and Conditions:
https://www.rainforest-alliance.org/resource-item/rainforest-alliance-license-agreement-general-terms-and-conditions/

5) Wrap Up

Useful links and supporting materials

- Video recording and presentation will be shared after the webinar here on our website
- More information on tea traceability and Full Mutual Recognition available on our website ra.org
- System user guidance:
  - MultiTrace User Guidance for Tea Traceability
  - Traceability guidance document
- Full Mutual Recognition explainer
- How to transition to the 2020 Certification Program

Further questions? Contact CustomerSuccess@ra.org

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