

ANNEX CHAPTER 2:

Traceability

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[S06 Traceability](#)



**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.

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Annex Chapter 2: Traceability	July 1 st , 2022	Until further notice
Linked to		
SA-S-SD-1 Rainforest Alliance 2020 Sustainable Agriculture Standard, Farm Requirements SA-S-SD-2 Rainforest Alliance 2020 Sustainable Agriculture Standard, Supply Chain Requirements		
Replaces		Applicable to
SA-S-SD-7-V1.2 Annex 6: Traceability, published on January 31 st , 2022		Farm and Supply Chain Certificate Holders

Annexes are binding and must be complied with for certification.

More information

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OVERVIEW OF KEY CHANGES

In this document, the content has been shortened to make it more user friendly.

It incorporates binding changes already published in Version 1.2, published in January 31st as listed below.

Section	Subject	Change
1. Introduction	Traceability types: Identity Preserved (IP)	Added traceability type Mixed IP to traceability type Identity Preserved (IP).
1. Introduction	Traceability types: Segregation (SG)	Removed traceability type Mixed IP from traceability type Segregation (SG).
1. Introduction	Traceability types: Scope - Mass Balance (MB)	Added option to work with Mass Balance for flowers, processed fruits and coconut oil.
1. Introduction	Credit Validity	Removed clause relating to credit validity for segregated and mass balance RA2017 and UTZ certified volumes
3. Traceability in the online platform	Platform activities	Clarification that online traceability follows both legal ownership and physical possession of certified product. Addition of definition of the platform function "redeem" and explanation of the cases in which Rainforest Alliance Certified volumes are to be redeemed.
3. Traceability in the online platform	Requirement 2.1.9 Converting certified products	Clarification that for products with traceability types identify preserved and segregation, conversion factors also must be recorded in the platform.
3. Traceability in the online platform	Requirement 2.2.1 Managing outgoing transactions of certified product	Additional clause specifying that when retailers are also brand owners, final product manufacturers must issue a sales transaction to the retailer and the retailer must confirm receipt. Redemption of volumes is not required.
3. Traceability in the online platform	Requirement 2.2.5 Aggregating transactions	Removed



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S6 TRACEABILITY

1. INTRODUCTION

This document includes additional rules around the requirements in the traceability chapter in the Rainforest Alliance 2020 Sustainable Agriculture Standard.

More information on implementation of rules and requirements can be found in the [document SA-G-SC-42 Traceability Guidance](#).

Scope for traceability

Traceability must be maintained to allow for accurate claims on the certified product. Traceability through the certification program is maintained by:

- 1) Traceability requirements on managing on-site and online traceability.
- 2) Recording the movement and conversions of the certified product through the Rainforest Alliance Certification platform, RACP.

Traceability at both these levels must be implemented by any certificate holder (CH) that engages in the activities listed in the Certification Rules:

- Farming
- Trading
- Warehousing
- Processing and/or manufacturing
- Packing and/or rebagging
- Labeling
- Retail

Level of traceability reporting

- Reporting of traceability is implemented at the level of the CH. If the CH is certified as a multi-site, then the multi-site administrator (central management) is responsible for the implementation of traceability requirements. Traceability is not mandatory for movement of the certified product amongst sites included on the same certificate. .
- If a CH works with subcontractors who carry out processes in which volumes are changed e.g. through processing, those conversions must be reported.

Applicability of Standard requirements

- Traceability requirements are applicable to legacy volumes and volumes certified against the Rainforest Alliance 2020 Sustainable Agriculture Standard (SAS).
- Chapter 2.2 of the SAS is only applicable to crops for which traceability in the online platform is available. For an overview per crop, please have a look at our webpage: [How to use our Certification Program's Online Portals](#).
- With the exception of retailers that purchase certified tea, traceability to the retail level is not mandatory. Retailers currently have the possibility to opt in to traceability requirements if they wish to ensure traceability of certified products from their suppliers.



Traceability types

The following traceability types are available in certified supply chains, listed from "highest" to "lowest" traceability type: *identity preserved (IP)*, *segregated (SG)*, and *mass balance (MB)*.

- **Identity preserved (IP)**

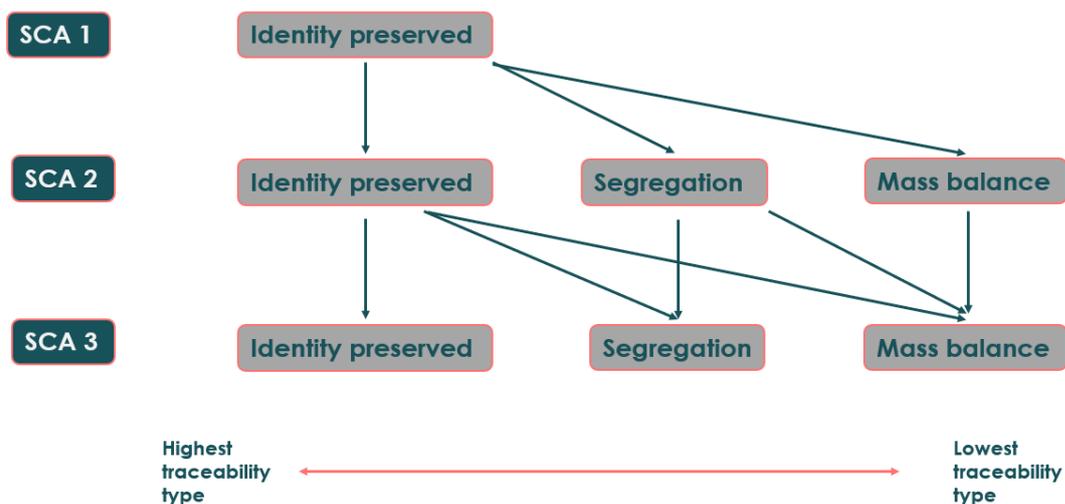
A traceability option to trace a Rainforest Alliance Certified ingredient or product back to a farm certificate holder. This is the most stringent traceability type. There is no mixing of certified ingredient or product with non-certified ingredient or product, or with certified ingredient or product from different sources. If a certified product is from different certified sources/farms, but identity is preserved throughout the supply chain, the subtype *Mixed Identity Preserved (Mixed IP)* can be applied.

- **Segregation (SG)**

A traceability process in which the certified product is kept separate from the non-certified product, both physically and in documentation. This segregation occurs during all receiving, processing, packaging, storage, and transportation stages of the supply chain. There is no mixing of non-certified product with certified product. This means that the full product content is certified, although it can come from different certified sources/farms, including different countries of origin.

- **Mass balance (MB)**

Administrative traceability that allows a certificate holder to claim a product which is not certified as Rainforest Alliance Certified when the equivalent quantity was sourced as Rainforest Alliance Certified.



SCA = SUPPLY CHAIN ACTOR

"Upgrading" one traceability type to another is not possible. For example, it is not possible to generate an output with traceability type *identity preserved* when the input was *segregation*. However, it is possible to "downgrade" from a higher traceability type to a lower one, for example, from *segregation* to *mass balance*. The CH must update their scope in the RACP when there is a change to the traceability type.



Scope

The traceability type *identity preserved* may be applied to any crop included in scope for Rainforest Alliance certification.

The traceability type *segregation* may be applied to any crop included in scope for Rainforest Alliance certification. Segregation can not be applied by farm CHs.

Mass balance may be applied to the following crops: cocoa, processed fruits (including orange juice), hazelnut, coconut oil and flowers¹. All supply chain certificate holders (first buyer and beyond) may select mass balance as traceability type for these crops. Farm certificate holders may apply the mass balance traceability type for hazelnut, coconut oil and flowers.

2. TRACEABILITY

Requirement 2.1.7 – double selling

Double selling is the practice of selling the same volume produced or purchased as Rainforest Alliance Certified twice, once as Rainforest Alliance Certified and once as conventional or under another certification. Double selling is not allowed.

For example, 100 MT of coffee produced by a farm can be certified as *both* organic and Rainforest Alliance and sold as

- 100 MT Rainforest Alliance Certified *only*, or
- 100 MT Organic *only*, or
- 100 MT Rainforest Alliance Certified and Organic (once in one batch) to one buyer.

However, that same volume of coffee cannot be sold as separately 100 MT of organic coffee as well as 100 MT of Rainforest Alliance Certified coffee.

¹ For flowers, the mass balance traceability is done on the number of certified input (stems) the CH receives within a given period (day/week/year) and allows the CH to claim the percentage of certified input in its final product.



Requirement 2.1.9 – conversion rates

The table below indicates the conversion rates for *mass balance*, for sectors where this is allowed. The conversion rates for *segregation* and *identity preserved* are pre-set in the traceability platform.

Crop/Sector	1 st conversion	2 nd conversion	3 rd conversion	4 th conversion
Cocoa				
Beans to liquor	1:0.82			
Beans to nibs	1:0.82			
Nibs to liquor		1:1		
Liquor to butter and powder			1:0.5:0.5	NA
Hazelnut				
In shell to kernel	1:0.5			
Kernel to roasted kernel		1:0.94	NA	NA
Kernel to processed kernel (e.g. blanched, chopped, sliced, etc.)		1:1		
Roasted kernel to roasted processed kernel			1:1	
Coconut				
Fresh fruit to copra	1:0.25			
Copra to crude coconut oil		1:0.62		
Crude coconut oil to refined coconut oil (RBD)			1:0.96	
Crude coconut oil to refined coconut oil (hydrogenated)			1:0.96	
Oranges				
Fresh fruit to soluble solids (SS)	Kg of SS = (X Boxes of fresh fruit / Y Boxes per ton of FCOJ at 66 Brix) × 1000 × 66%			
Soluble solids to juice (FCOJ)		1:1		
Soluble solids to juice (NFC)		1:1		
Juice to reconstituted juice			1:1	

Requirement 2.1.12 – sales documentation

When final product manufacturers are also the brand owners, sales documentation to the next legal owner does not need to include the traceability type or percentage (if applicable).



3. TRACEABILITY IN THE ONLINE PLATFORM

Traceability platform activities

The traceability platform reflects the movement of Rainforest Alliance Certified product from certificate holder to certificate holder. In most cases, this is following legal ownership, however in some cases, for example when a subcontractor is involved, this would follow physical possession. Reporting entails: sales, conversions, confirmation, redeeming, removing of the certified product.

Requirement 2.1.9 – converting certified product

For activities such as processing that result in a change of the certified volume (e.g. green to roasted coffee), the volume must be converted (in the platform) before it is redeemed or sold onward. For activities such as manufacturing that result in a different product (e.g. multi-ingredient product) but do not result in a change of the certified volume, if volumes are redeemed the SC CH is not required to perform the platform activity “manufacture” prior to redeeming. If the manufactured volumes are sold onward, the SC CH must perform the platform activity “manufacture” prior to selling onward.

Requirement 2.2.1 – managing outgoing transactions of certified product

All business-to-business sales of a certified product must be reported through the Rainforest Alliance traceability platform, starting from the farm certificate holder up to either:

- a) the point where the certified product is packaged and labeled under a CH's own brand. In this case, certified product is redeemed² from the traceability platform or
- b) the point where the certified product is sold to the brand owner by the supply chain CH who is packaging and labeling certified product for that brand owner. In this case, a sales transaction³ of the certified product is issued to the brand owner.

Retailers are not required to redeem volumes. However if the retailer is also the brand owner and has opted in to traceability, the final product manufacturer must issue a sales transaction of the certified product to the retailer, and the retailer must confirm receipt, see requirement 2.2.2.

In the case of fresh fruits, traceability must be provided at least until the level of the importer with the possibility to opt in to traceability for retailers.

Requirement 2.2.2 – managing incoming transactions of certified product

Transactions of certified product sold by suppliers must be reviewed and confirmed⁴ by the CH that is purchasing the certified product.

Requirement 2.2.3 – removing certified volumes

² Redeem = The CH owning the brand traces volumes out of the traceability platform that are destined as final consumer product. The activity 'redeem' marks the end of the online traceability for Rainforest Alliance Certified products.

³ Sales = CH makes a transaction of corresponding volume sold to their buyer

⁴ Confirm = CH reviews and approves details (quantity, product details, any other transactional references provided) of incoming transactions from certified suppliers, if those correspond to details of real transacted volume



Certified products are removed from the traceability platform when they are sold not as Rainforest Alliance Certified, or when they cannot generally be sold onwards due to product damage (product “lost”).

In case of *mass balance*, the certified volume can physically be sold onwards as conventional, and corresponding *mass balance* credits may be kept.

When to report? (requirement 2.2.1 and 2.2.3)

Transactions must be reported in the traceability platform within 2 weeks from the end of the calendar quarter (January – March, April – June, July – September, October – December) in which the transaction occurred.

- *Example 1:* A physical sale is made in May - the CH must report the sale transaction latest by July 14th.
- *Example 2:* A certified volume is sold as conventional in December - the CH must remove the certified product from the traceability platform by January 14th of the following year.

4. MASS BALANCE

Requirement 2.3.1 – credit exchange

Credit exchange is only possible to the same product or to a further processed product, for example:

- Rainforest Alliance certified cocoa butter to conventional cocoa butter
- Rainforest Alliance certified cocoa beans to conventional cocoa liquor
- Rainforest Alliance certified cocoa beans to conventional cocoa butter
- Rainforest Alliance certified in-shell hazelnuts to conventional roasted hazelnut kernel
- Rainforest Alliance certified crude coconut oil to conventional refined coconut oil

Credit exchange in a backward direction is not allowed (from cocoa liquor to cocoa nibs, from chocolate to cocoa butter, from cocoa butter to cocoa powder (and vice versa), from processed hazelnut kernel to in-shell hazelnuts, etc.).

Credit exchange from Rainforest Alliance Certified non-pure products (e.g., chocolate) to conventional pure products (e.g., cocoa butter) is not allowed either as this constitutes a backward conversion.

Credit exchange from Rainforest Alliance Certified non-pure product (chocolate) to conventional non-pure product (chocolate) is allowed.

Requirements 2.3.3 and 2.3.4 – origin matching

For the cocoa sector, the following origin matching requirements and definitions apply:

Definitions

Annual recipe	The recipe for certified liquor sales. This recipe may be reviewed and adjusted on an annual basis but may also be adjusted more frequently.
Origin	The country where the certified cocoa beans were produced.
Origin footprint	The country of origin of a farm certificate holder on a credit associated with a certified cocoa purchase or sale.
Origin matching	Matching the origin of products purchased or sold with the origin footprint of the credits associated with those purchases or sales (per transaction or on an aggregate basis).



Sourcing plan	A plan to implement shifting certified sourcing to meet the requirements of origin matching. This plan must be submitted to and approved by the Rainforest Alliance.
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Scope

Origin matching is required as of July 1st 2021, for all transactions completed in the traceability platform with contracts signed from April 1st, 2021, as indicated in this document. This includes all mass balance certified cocoa.

Origin matching is required for all cocoa that has an origin footprint displayed in the traceability platform. If the origin footprint of a specific cocoa product is not displayed in the traceability platform, then origin matching is not required. The traceability platform automatically determines whether origin must be displayed or not. This is not at a company's discretion.

Origin matching exception: The Rainforest Alliance can give an exemption for origin matching for a specific volume and origin based on approval of a sourcing plan.

COCOA BEANS AND NIBS

Origin matching is required for 100% of each purchase and sales transaction of certified cocoa beans and nibs between supply chain certificate holders. Purchase and sales documentation for beans and nibs sold as certified must include origin information to country-level for both certified and conventional cocoa bean and nibs inputs.

COCOA LIQUOR

Origin matching is required for the sale of certified cocoa liquor from the first buyer to the second supply chain certificate holder on an aggregate level for each 12-month period. Documentation required at the supply chain certificate holder level includes origin information to country-level for certified and non-certified cocoa inputs.

The origins for aggregate certified liquor sales and the annual recipe are compared. Origin matching up to at least 80% by volume is required.

If more than 20% of cocoa derivatives sold in a 12 month period do not have an origin footprint in the traceability platform, then origin matching below 80% is allowed, as long as all volumes with an origin footprint have origin matching.

If origin matching is less than 80% for the 12-month period, then the volume gap must be compensated for within the next 3 months.

If no certified cocoa volume is available from a country and this causes a product to be under the required percentage of origin matching and cannot be compensated for, this product cannot be sold as certified mass balance cocoa.

THE ANNUAL RECIPE FOR LIQUOR

Companies must show their annual recipe for origin matching of certified mass balance liquor. This can be done in one of the following ways:

1. If there is only one liquor recipe used for sales of certified liquor, the company can use the actual annual liquor recipe used for certified liquor sales. If there are multiple recipes used for certified liquor sales, then an average of these recipes can be calculated.
2. If it is not possible to distinguish between liquor used for certified vs. conventional sales, and the company can prove this, then all recipes that are (fully or partly) sold as certified can be combined and averaged.
3. If it is not possible to distinguish between liquor used for sales vs. liquor used in further internal processing, and the company can prove this, then all recipes can be combined and averaged.



The above options should lead to one annual recipe for the previous 12-month period or, if a company prefers to use several actual annual recipes and not average those, then a company could refer to the average use of each of those recipes as their annual recipes. The average recipe does not need to be a weighted average. Proof of calculation for any of the methods must include the necessary documentation the company used to make said calculation.

ORIGIN MATCHING OF THE ANNUAL RECIPE FOR LIQUOR

A company will need to compare the breakdown of liquor transactions per origin in the Rainforest Alliance traceability platform with the annual recipe calculated by the company, and at least 80% of the volume sold in the traceability platform must match with the origins identified in the annual recipe.

To calculate the percentage:

Annual recipe		Transactions in MTT		Origin Matching %
Country	% content	Country	% content	% difference
Country A	40%	Country A	35%	5%
Country B	40%	Country B	35%	5%
Country C	20%	Country C	30%	10%
TOTAL	100%		100%	20% difference = 80% matched

For a simple overview of the mass balance origin matching, please see [here](#).