

ANNEX CHAPTER 2:

Traceability

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[S02 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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SA-S-SD-20-V1 Annex Chapter 2: Traceability, published on July 1 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

Overview of key adaptations in this document

SA-S-SD-20-V1.1 Annex Chapter 2: Traceability, published on February 6th, 2023,
compared to the previous version

SA-S-SD-20-V1 Annex Chapter 2: Traceability, published on July 1st, 2022

Section	Subject	Change
1	Scope for traceability	Text simplified
1	Level of traceability reporting	Clarification added on traceability for subcontractors
1	Applicability of Standard requirements	Clarification added on traceability for retailers
1	Mass Balance	Text simplified, and extension of mass balance scope to other crops has been added
2	2.1.12 Sales documentation	Text on requirement 2.1.12 has been removed, as requirement has been clarified in the Standard
3	2.1.9 Converting certified product	Clarification added on converting and redeeming certified products
3	2.1.9 Conversion rates	Table simplified
3	2.2.1 Managing outgoing transactions	Text simplified, clarification added on traceability for retailers
3	2.2.1 Managing incoming transactions	Clarification added on trusted trade partner functionality in the traceability platform
3	2.2.3 Removing certified volumes	Clarification added on mass balance volumes
3	2.2.1 & 2.2.3 When to report	Clarification added on scenario where a CH's supplier hasn't declared their sales to them in the traceability platform
3	2.2.5 Aggregating transactions	Newly added section clarifying the requirement
4	2.3.1 Volume conversion	Text simplified
4	2.3.3 & 2.3.4 Origin matching	Text simplified, general clarifications added, requirements for phase 2 added



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S02 TRACEABILITY

1. INTRODUCTION

This document provides further detail around the requirements in the traceability chapter in the Rainforest Alliance 2020 Sustainable Agriculture Standard.

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

Scope and applicability for traceability requirements

Traceability must be maintained so that the flow of certified products can be traced through the entire supply chain. Traceability also allows to ensure that products sold as Rainforest Alliance Certified comply with this claim. Traceability requirements generally need to be followed by all farm and supply chain certificate holders working with certified products, based on the mandatory requirements provided in the contextualized checklist following registration in the Rainforest Alliance Certification Platform (RACP).

Maintaining traceability is required for legacy volumes and volumes certified against the Rainforest Alliance 2020 Sustainable Agriculture Standard (SAS).

Chapter 2.2 of the standard is only applicable to crops for which traceability in the online platform is available.

Retailers are generally exempted from traceability requirements, as they can choose whether they want to engage in traceability and receive transactions from their manufacturers. However, if the retailers are responsible for SD/SI payments (except for tea), then traceability requirements are also applicable to them.

Traceability types

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

- **Identity preserved (IP)**

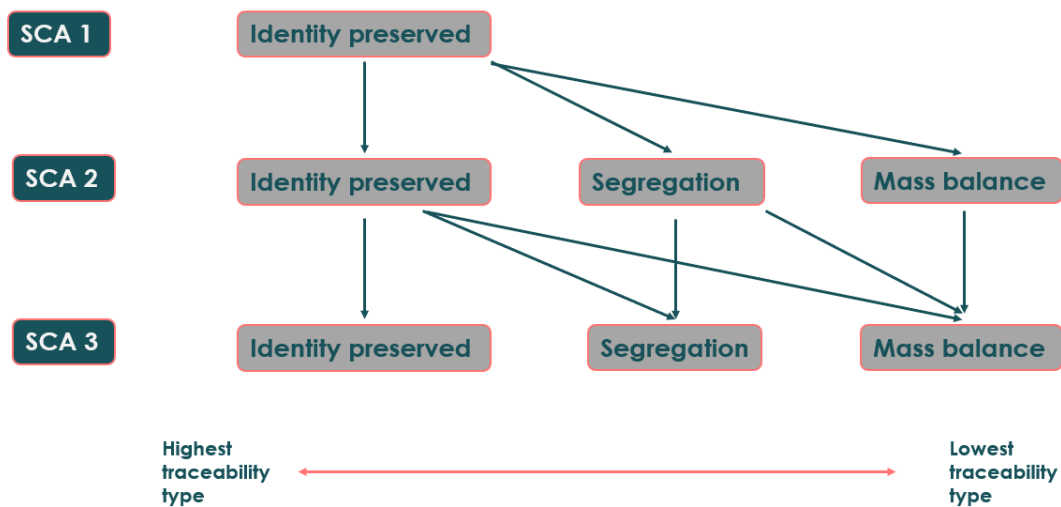
A traceability type where the Rainforest Alliance Certified product can be traced back to the farm certificate holder. This is the most stringent traceability type. There is no mixing of certified product with non-certified product, or with certified product from different sources. If a certified product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

- **Segregation (SG)**

A traceability type where the certified product is kept separate from and never mixed with 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. This means that the product is fully certified, although the identity of its source(s) is not known.

- **Mass balance (MB)**

Mass balance is an administrative type of traceability, where the certified and non-certified product can be mixed, but where no more volume of product is sold as certified than what was initially purchased as certified. The supply chain certificate holder (CH) needs to administer all their certified and non-certified inputs and outputs in their internal documentation, and sales of certified volume need to be accurately registered in the traceability platform.



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*.

Scope of traceability types

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 cannot be applied by farm CHs.

Mass balance may be applied to the following crops: cocoa, processed fruits (including orange juice), hazelnut, coconut oil, flowers, as well as herbs, spices and other herbal tea ingredients¹. All supply chain certificate holders (first buyer and beyond) may select mass balance as traceability type for these crops. Farm CHs may apply the mass balance traceability type for hazelnut, coconut oil and flowers.

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.



2. TRACEABILITY

Requirement 2.1.7 – double selling

Double selling means selling the same volume of a product certified under multiple certification schemes twice, , once as Rainforest Alliance Certified and once under another certification scheme or as conventional. Double selling is not permitted.

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.

3. TRACEABILITY IN THE ONLINE PLATFORM

Traceability platform activities

The Rainforest Alliance traceability platform reflects the movement of Rainforest Alliance Certified product throughout the supply chain and is implemented at the level of the certificate holder (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 certified product among sites included on the same certificate.

In most cases, this follows legal ownership. However in some cases, for example when a subcontractor is involved, this would follow physical possession. Reporting entails: Sales, conversions, confirming, mixing, redeeming, and removing of the certified product.

If a CH works with subcontractors who carry out processes in which volumes are modified e.g., through manufacturing , those conversions must be reported either by the subcontractor itself, or by adding the activities of the subcontractor to the CH's profile.

Requirement 2.1.9 – converting certified product

For activities such as processing that result in a change of the certified volume (e.g. from green to roasted coffee), and 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, the supply chain CH is required to register the “conversion” and/or “report manufacturing” in the traceability platform prior to selling onward.

For volumes which are not required to be sold onward in the traceability platform, and need to be redeemed by the SC CH, the “conversion” and/or “report manufacturing” activities do not need to be performed (except for tea) prior to redeeming.

For tea companies the “conversion” and/or “mix” activity must be always reported prior to the volumes being redeemed.

Requirement 2.1.9 – conversion rates

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



Crop/Sector	Conversion factor
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
Chocolate to chocolate	1:1
Hazelnut	
In shell to kernel	1:0.5
Kernel to roasted kernel	1:0.94
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)	$\text{Kg of SS} = (\text{X Boxes of fresh fruit} / \text{Y Boxes per ton of FCOJ at 66 Brix}) \times 1000 \times 66\%$
Soluble solids to juice (FCOJ)	1:1
Soluble solids to juice (NFC)	1:1
Juice to reconstituted juice	1:1

Requirement 2.2.1 – managing outgoing transactions of certified product

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

- the point where the certified product is packaged and labelled as a finished consumer-facing product under the CH's own brand. In this case, the certified product is redeemed² from the traceability platform.
- the point where the supply chain CH manufacturing the finished consumer-facing product sells it to the brand owner. In this case, a sales transaction of the certified product is issued to the brand owner in the traceability platform.

² Redeem = The certificate holder owning the brand traces volumes out of the traceability platform that are being sold as final consumer-facing products. The activity 'redeem' marks the end of online traceability for Rainforest Alliance Certified products.



Traceability to retail level is usually optional, including for tea. However, for retailers who are responsible for SD/SI payments (except for tea), traceability is always mandatory.

For retail brand owners who do not want to and are not required to engage in traceability, the final product manufacturer can redeem the corresponding volumes from their own account, rather than declaring the sale to the retailer. If the retailer does decide to engage in traceability, the final product manufacturer needs to declare a sale to them. Retailers are not required to redeem volumes from their own traceability account.

Requirement 2.2.2 – managing incoming transactions of certified product

Transactions of certified product sold by suppliers must be reviewed and confirmed³ by the CH that is purchasing the certified product.

Companies with a high volume of incoming transactions can make use of our Trusted Trade Partner functionality in the online platform, where all transactions from selected suppliers are automatically confirmed by the system.

Requirement 2.2.3 – removing certified volumes

Certified products are removed from the traceability platform when they are not sold as Rainforest Alliance Certified, but as conventional, or certified by another certification scheme, or when the volumes have been damaged and/or lost.

Mass balance volumes are not required to be removed from the traceability platform, and a sales transaction needs to be issued to the buyer (if applicable) once the corresponding certified volume equivalent has been sold.

Requirement 2.2.1 and 2.2.3 – when to report

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

- *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.

In the case where a CH cannot declare the sale of certified product to their buyer within the required timeframe, as the CH's supplier has not yet declared the sale to them, the CH needs to demonstrate due diligence in having reached out to their supplier.

Requirement 2.2.5 – aggregating transactions

If several shipments are combined into one transaction in the traceability platform, the CH must provide sufficient supporting information in the transaction so that the individual shipments can be identified. This can be done by including information such as the individual volumes, invoice numbers, shipment codes and dates in the transaction, or by uploading an Excel containing this information.

³ Confirm = CH reviews and approves details (volume, traceability level, and any other references provided) of incoming transactions from certified suppliers, if those correspond to details on the invoice and contracts with their suppliers



4. MASS BALANCE

Requirement 2.3.1 – volume conversion

As per our mass balance rules, in order to sell conventional volumes as certified, the conversion of certified volumes is only possible to the same product or in the actual direction of physical processing, for example:

- Certified cocoa butter to conventional cocoa butter
- Certified cocoa beans to conventional cocoa butter
- Certified in-shell hazelnuts to conventional roasted hazelnut kernel
- Certified crude coconut oil to conventional refined coconut oil

Volume conversion in a backward direction is not allowed, for example:

- Certified cocoa liquor to conventional cocoa nibs
- Certified chocolate to conventional cocoa butter
- Certified cocoa butter to conventional cocoa powder (and vice-versa)
- Processed hazelnut kernel to in-shell hazelnuts

Volume conversion from Rainforest Alliance Certified multi-ingredient products (eg., chocolate) to conventional single-ingredient products (eg., cocoa butter) is not allowed either, as this constitutes a backward conversion.

Volume conversion from Rainforest Alliance Certified multi-ingredient products (eg., herbal tea) to conventional multi-ingredient products (eg., herbal tea) is permitted.

Requirements 2.3.3 and 2.3.4 – origin matching

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

Definitions

Annual volume	The aggregate volume by origin of actual certified liquor sales over a 12-month period.
Origin	The country where the certified cocoa beans were produced.
Origin footprint	The country of origin of the farm CH for a volume of certified cocoa in the traceability platform.
Origin matching	When a volume of certified cocoa is purchased, in order to sell an equivalent volume of conventional cocoa as certified, the origin of both volumes needs to be the same (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.

Scope

Origin matching is required for all transactions completed in the traceability platform with contracts signed from April 1st, 2021 for phase 1 requirements, and October 1, 2023 for phase 2 requirements, 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. However, the Rainforest Alliance can give an exemption for origin matching for a specific volume and origin based on the approval of a sourcing plan.



Phase 1 requirements

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 CHs. Purchase and sales documentation for beans and nibs sold as certified must include origin information to country-level for both certified and conventional beans and nibs.

Cocoa liquor

Origin matching is required for the first sale of certified cocoa liquor in the supply chain on an aggregate level for each 12-month period (exceptions below in phase 2). Companies must calculate their annual volume for origin matching of certified mass balance liquor and include proof of calculation. Documentation required at the supply chain CH 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 volume are compared. Origin matching up to at least 80% by volume is required.

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.

Phase 2 requirements

Exports from Côte d'Ivoire, Ghana, Ecuador

In addition to all phase 1 requirements, origin matching is required for 100% of each export sales transaction of certified cocoa liquor, butter, or powder between supply chain certificate holders.

Origin regional approach

For both phases 1 and 2, origin matching may be done on a regional level for all products except cocoa beans and nibs combining specific smaller countries of origin, as identified in the table below:

Region	Countries	Exceptions
West Africa	Guinea, Liberia, Togo, Sierra Leone, other Africa	Not included: Cameroon, Côte d'Ivoire, Ghana, Nigeria, Madagascar, or countries listed under Central and East Africa
Central and East Africa	Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, Sao Tome and Principe, Tanzania, Uganda	Not included: Cameroon, Madagascar
South America	Belize, Bolivia, Costa Rica, Cuba, Dominica, Grenada, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Santa Lucia, Trinidad and Tobago, Venezuela, other Americas	Not included: Brazil, Colombia, Dominican Republic, Ecuador, Peru
Asia and Oceania	Fiji, India, Malaysia, Papua New Guinea, Philippines, Solomon Islands, Sri Lanka, Thailand, Vanuatu, Vietnam, other Asia and Oceania	Not included: Indonesia