

Sustainable Farming Assurance Programme- Non Conversion[®]

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1. Introduction

The *Sustainable Farming Assurance Programme (SFAP)* is an international programme for the verification of sustainable practices at the farm level. The programme is applicable for all arable crops that are used in feed production (e.g. soy, maize, barley, wheat).

The main characteristics of the programme are:

- Independent programme, open for all farmers and farmer groups irrespective of their supply chain partners
- Created and managed in close cooperation with farmers
- Applicable to a broad range of (arable) crops
- Global applicability
- Third party certification
- Robust, cost-efficient verification module
- Strong non-conversion module.

SFAP offers an additional service of calculating the CO2 footprint for a specific SFAP-farmer group. This CO2 Foot printing methodology results in a verified CO2 statement. This method is discussed in a separate document.

2. Ownership

The programme is owned by ProAgros. The first version of the SFAP- standard is created in 2017. Initially farmers were certified against the basic module of the standard, currently all farmer groups are certified against the non-conversion module.

The programme is revised every two years or more often if necessary to guarantee alignment with international developments and global priorities in responsible agricultural production. The programme has been benchmarked by ITC against the FEFAC Soy Sourcing Guidelines.

3. The criteria

SFAP includes 46 criteria for responsible agricultural production of which 36 are major and 10 are minor criteria.

The 46 criteria are clustered under four principles:

1. Legal compliance and good business practice,
2. Respect of human rights and safeguarding worker safety,
3. Good Agricultural Practices and Environmental protection
4. Safeguarding community relations.

All 36 criteria with the description **major** must be met before certification can be granted. Five of the criteria with the description **minor** must be met before certification can be granted. All farmers are free to decide with which of the 10 minors they wish to comply.

1. Legal compliance & protection of property rights

Compliance to local and national legislation is the fundamental first step to responsible practices. Therefore, farmers must demonstrate that they are aware of and comply with all applicable legislation. Respecting legislation also means that property rights are secured and respected.

1.1 Legal compliance

- 1.1.1 Farmers show an awareness of all applicable laws and comply with all applicable local, national and international legislation (major)
- 1.1.2 Any direct evidence of localized contamination of ground or surface water is reported to, and monitored in collaboration with local authorities (major)
- 1.1.3 The farmer will act in according to legislation and established procedures to prevent and stop the spread of invasive species and water contamination (major)

1.2 Respect of water and land rights

- 1.2.1 Farmers have and can prove legal ownership of the land or the presence of formal land use rights (e.g. rental or lease agreement, court order confirming ownership etc.) (major)
- 1.2.2 In case of disputed land rights, measures are taken to dissolve the disputes in a correct, legally prescribed manner. There is no conversion of land where there is an unresolved land use claim by traditional land users under litigation, without the agreement of both parties (major)
- 1.2.3 In case land is acquired from local communities, they are always informed, involved and compensated based on their prior, informed consent and compensated adequately (major)
- 1.2.4 Farmers have and can prove legal ownership of water rights or formal permission to use water for irrigation (major)

2. Respect of human rights and safeguarding worker safety

Farmers make sure their workers are treated with respect and care, that workers have a safe and healthy work environment and that they are free to join or form organisations to represent their interests.

2.1 All human rights as described in the 8 fundamental ILO regulations are respected

- 2.1.1 The eight fundamental ILO regulations¹ are respected (major)
- 2.1.2 There is no engagement in child labour, forced labour, discrimination or any form of coercion, intimidation or harassment. Employees with equal capacities and experience are paid and treated equally (major)
- 2.1.3 All workers have the right to join or form an organization of their choice and be engaged in collective bargaining (major)
- 2.1.4 Workers are paid in accordance with legal or sector requirements and the workweek does not exceed 48 hours (over time excluded). Overtime is always voluntary, paid in accordance with legal or sector agreement and does not exceed 12 hours per week (major)

¹ • Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) • Right to Organise and Collective Bargaining Convention, 1949 (No. 98) • Forced Labour Convention, 1930 (No. 29) • Abolition of Forced Labour Convention, 1957 (No. 105) • Minimum Age Convention, 1973 (No. 138) • Worst Forms of Child Labour Convention, 1999 (No. 182) • Equal Remuneration Convention, 1951 (No. 100) • Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

- 2.1.5 No workers can be obliged to hand in their identity papers or other personal documents (major)
- 2.1.6 All workers have a legally binding, written contract in a language they can Understand (minor)
- 2.1.7 All work hours, over work and payments are registered (minor)

2.2 The safety and health of farm workers is guaranteed

- 2.2.1 All workers received training -and frequent updates of the trainings- about health and safety on the farm. There are signs to warn workers for potentially dangerous situations and/or to indicate that the use of protective clothing is required (major)
- 2.2.2 There are first aid kits present near all work places. In case of an accident medical assistance is provided without delay (major)
- 2.2.3 Workers receive adequate protective clothing and protective equipment and are obliged to use those (major)
- 2.2.4 All workers have access to potable water, healthy nutrition and clean sanitary facilities (major)
- 2.2.5 In case workers live on the farm, their houses are clean, safe and adequately equipped (major)
- 2.2.6 There is a system of warnings and legally permitted sanctions for those who don't use protective clothing or follow the safety and health procedures (minor).

3. Good Agricultural Practice and Environmental protection

Good agricultural practices are those practices that allow the farmer to obtain high yields today, whilst respecting the yields of the future by adequately managing soil and water quality and biodiversity. Farmer also take adequate measures to protect the environment.

3.1 Agriculture expansion is in line with legal requirements

- 3.1.1 Farmers follow all applicable legislation related to expansion and nature protection (e.g. biodiversity, land management and nature legislation. Agricultural expansion can only take place in areas where the national government of the country allows for expansion of agriculture and in accordance with all legal requirements for that expansion (major)
- 3.1.2 No crops are produced on land that is illegally deforested after a certain cut-off date mentioned in national legislation (e.g. 2008 in Brazil, 2008 in USA, etc.) (major)
- 3.1.3 Conservation and nature preservation areas which are as such assigned by the government, are protected at all times² (major)
- 3.1.4 The farmer takes additional measures to protect high conservation areas (outside of legal obligations) on his farm (minor)
- 3.1.5 A strip of native vegetation around water bodies and on steep slopes is preserved (minor)

² Brazilian farmers that are in the federal CAR-system and take measures to reforest, are seen to fulfil this criterion

3.2 (*3) No conversion of high-value areas between 2009 and 2016. After 2016 no conversion of natural lands at all.

3.2.1 In case SFAP certified farmers have brought new agricultural lands in production before 1 January 2009, the lands have been cleared/converted in line with national legislation and biodiversity protection treaties.

3.2.2 The following areas have not been cleared, converted and/or bought by farmers certified under the SFAP protocol to use for agricultural production from 1 January 2009 - 1 June 2016:

- a) Native forests
- b) Riparian vegetation
- c) Natural wetlands
- d) Steep slopes

3.2.3 After 1 January 2016, no agricultural expansion can take place on any of the following lands:

- a) Native forests
- b) Riparian vegetation
- c) Natural wetlands
- d) Grasslands
- e) Savannahs
- f) Priaries
- g) Cerrado
- h) Steep slopes
- i) Woodlands

***(3) The 3.2 Non Conversion criteria are in line with the latest general accepted Non Conversion Criteria based on multi stakeholder processes/consensus.**

3.3 Good Agricultural Practices are applied

- 3.3.1 Farmers are aware that their soils are their most important asset and make sure they implement adequate measures to protect the soils from contamination, depletion, compaction and erosion by implementing measures such as non-tillage, terraces, precision farming etc. (major)
- 3.3.2. Soil quality is assessed regularly to prove that the soil quality is constant or improving (minor)
- 3.3.3 Farmers make sure the ground and surface water surrounding their farm and farm lands is not contaminated nor depleted. When contamination or depletion is found that can be traced back to the farm activities, measures are taken to solve the situation (major)
- 3.3.4 Farmers who use irrigation do so in accordance with applicable legislation and in line with best practices to minimise water use (major).
- 3.3.5 Water quality and quantity is assessed regularly to ensure sustainable behaviour (minor)
- 3.3.6 Farmers will not use the chemicals listed in the Rotterdam and Stockholm Convention. All chemicals are used in accordance with legal requirements and professional recommendations to prevent drift, pest resistance and negative environmental and health effects. All storage, use and disposal of agrochemicals and empty containers is in line with legal requirements and good practices. All applications are recorded. People that apply agrochemicals received training about doing so in a safe and responsible

manner (major)

- 3.3.7 Agrochemicals cannot be applied within 30 meter of water bodies or populated areas and precautionary measures have to be taken to avoid people entering into recently sprayed areas (major)
- 3.3.8 When aerial application of pesticides is applied, all applications have to be announced to people in the surrounding area (within 500 meter). Within 500 meter of populated areas and water bodies no chemicals from the WHO class 1a, 1b and 2 can be applied (major)
- 3.3.9 Farmers follow the labels when applying phytosanitary products. Farmers make sure to rotate the active ingredients to prevent resistance (major).
- 3.3.10 Farmers implement precision farming techniques and work according to the principles of Integrated Crop Management (using the definition of FAO*) (minor)
- 3.3.11 In those countries of production where the use of Paraquat is still allowed: as per 31/12/2019 the usage of Paraquat will be prohibited under this certification scheme.

3.4 The environmental impact of the farms activities is minimized

- 3.4.1 Farmers make sure to treat, store and dispose all waste (solid and non-solid, hazardous and non-hazardous, e.g. tires, oil, empty agrochemical containers, lubricants etc.) in accordance with legal requirements and good practices. Measures are taken to prevent spills of agrochemicals, oils and other substances into the water and soil (major).
- 3.4.2 It is not allowed to burn waste or crop rests or to use fire to clear the land unless under specific circumstances described in the law (e.g. phytosanitary measures) (major)
- 3.4.3 Where possible, materials are re-used or recycled (minor)
- 3.4.4 Use of fossil fuels is closely monitored and measures are taken to use as little fossil fuels as possible for instance via self-propelled machinery or fixed riding paths (minor)

4. Safeguarding community relations

4.1 Communication with local communities is enabled and complaints are dealt with adequately

- 4.1.1 The farmer behaves as a 'good neighbour' and is accessible for his neighbours and local communities via telephone, email or in person (major)
- 4.1.2 In case there are complaints, there are grievance mechanisms to handle those complaints adequately and in accordance with legal requirements. Farmers keep records of the complaints and solutions (major)
- 4.1.3 The farmer makes sure that negative impacts of his business to neighbour communities or neighbour production systems are eliminated (e.g. drift, invasive species, pollution etc.) (major)

4. Verification

SFAP makes sure that all criteria are met by all farmers under the SFAP program. Certification takes place at the level of a group of farmers. The section below describes how this is organised.

The first level of verification is present within the group. The group assigns a group manager that will become responsible for the management of the process and will implement an internal control system. All farmers that want to become part of the certified group, fill in a self-assessment form. This can be done collectively in a session that is organised by the group manager (to explain all questions and help farmers fill in their questionnaires correctly) or by all farmers individually. In the self-assessment, farmers answer questions about all criteria requested in the Sustainable Farming Assurance Programme®. The group manager collects the self-assessment forms and counts how many farmers 'self-assess' that they comply with all criteria (all major and at least 5 of the minors). Those farmers obtain a self-declaration, in which they formally state to participate in the group and declare that they have filled in the self-assessment truthfully.

The group manager should implement an internal control system to make sure that all farmers in the group comply with all criteria. When the group manager is aware of the situation on all participating farms, the self-assessment and self-declarations might be enough. When this is not the case, the group manager should take additional measures such as the implementation of a peer-to-peer control system, the request of additional information from the farmer or visiting the farmers him/herself. The group manager is the contact point for all farmers. He or she is also responsible for dealing with questions or complaints within the group. The group manager will also share the results of the internal and external verification activity with the individual producers.

The second level of verification is ensured by the licensed certification body. This certification body will first check the robustness of the internal control system by controlling if all farmers in the group have filled in the self-assessment and self-declaration, if there is additional proof to support the answers from the self-assessment and if the internal group manager has taken additional measures to make sure all farmers comply with all the criteria.

The third level of verification is ensured by the auditing of a sample of farmers by the licensed certification body. This audit happens each year. The licensed certification body determines which sample of farmers should be audited based on a regional based risk assessment.

- In low risk³ areas the sample size must be $0.5 \sqrt{n}$
- In medium risk areas the sample size should be \sqrt{n}
- In high risk areas the sample must be $2\sqrt{n}$.

When the results are in accordance with the self-assessments and self-declarations, the entire group receives certification. The certified farmers and their group will be registered on the website of the Sustainable Farming Assurance Programme® and a group book & claim certificate will be issued. For the first year the volume will be determined by using the average yield per hectare of the 3 proceeding years. A certificate will have a validity off running calender year+2 full calender years.

³ The license owner will determine the risk score for farmers in a certain area based on its own experience in auditing farmers in a certain region. Focus of the risk assessment is on: deforestation, water and soil availability and quality, forced labour and child labour.

Non-conformities

When non-conformities are found (e.g. not all major and at least 5 minors are met) on more than 20% of the farms visited, there will be a 30 days' timeframe in which those Non Conformities can be repaired.

If this is not the case, the sample size the certification body has to audit is doubled. Depending on the nature of the non-conformity, the farmer gets 3-6 months to improve the situation before he is allowed to receive certification as part of the group. When major non-conformities - being forced labour, child labour, illegal deforestation and water pollution - are found, the farmer will be excluded from participation. In case the certification body also finds that in the bigger sample more than 20% of the farms deviate from the norm, the entire group will have 1 year to improve the practices on all farms, before the procedure to obtain certification can start again.

Certification for another crop is already present

In case a farmer is already certified to produce a certain commodity (e.g. soy), he/she can use this certification as proof to enter the *Sustainable Farming Assurance Programme®* for other commodities (e.g. maize, wheat etc.). This is only possible when the certification is recognised by the secretariat of the *Sustainable Farming Assurance Programme®*.

5. Application procedure

ProAgros is the first contact person for supply chain partners who want to acquire certified material and for farm groups who think about certification against the *Sustainable Farming Assurance Programme®*. ProAgros will inform them and in cooperation with the supply chain partner or farm group select one of the license owners (local partners - see for more information the section on roles and responsibilities) to guide the further process.

Application supply chain partners

The supply chain partner contacts ProAgros and discusses its request. ProAgros and the license owner will look for farmer groups to produce the certified materials. The license owner will continue the certification process of the farm groups and keep contact with the supply chain partner.

Application farm groups

Farmers apply in groups via the group manager. It is possible that this group is a selection out of a bigger group of farmers that is already united in some way (e.g. a cooperative, a farmer's organisation, all participants in a certain agricultural training programme and so on) but it is also possible that farmers form a group solely with the purpose to obtain group certification. All farmers in the group have to be in the same geographical area. That means that they face similar climatological circumstances and are in the same jurisdiction (same legislation applies to them). This is important because the licensed certification body will determine the sample size based on a regional based risk assessment, that is region specific.

The group manager will send in a request for certification for the entire group and make an appointment with the licensed certification body for a first appointment. During this appointment, the certification body will check the robustness of the internal control system and a sample of farmers before certification is granted. Certification is valid for two years. After two years, the group manager can formally re-apply for new certification with the same, an adjusted or a new group of farmers.

6. Roles and responsibilities

The roles and responsibilities are defined as follows:

6.1 ProAgros

ProAgros is a consultancy company that works for several large and small players in the agricultural commodity production chain. ProAgros offers supply chain solutions that are also well accepted by farmers to the market. ProAgros developed *Sustainable Farming Assurance Programme Non Conversion®* in close cooperation with local experts that have a vast experience in working with and managing farm groups. These experts add local farmer knowledge to the programme.

The aim of the programme is to help farmers prove in a credible and cost-efficient manner that they are producing in line with legal requirements and internationally accepted standards for responsible production. And thereby also creating market access to companies / countries that have certain additional sustainability requests and demand solid verification of the sustainability requests.

ProAgros is:

- Owner of the programme
- First contact organization for the programme
- Market facilitator: finding groups of farmers who want to certify and connecting them with supply chain partners who want to buy certified material (Book & Claim incl. Regional Credits)
- Issuing licences to partners who will certify farmers against the programme
- Responsible for the quality of the programme (e.g. by training auditors to execute the programme correctly etc.)

ProAgros will select a limited number of certifying bodies who obtain the right (license-system) to execute certification of farmers against the *Sustainable Farming Assurance Programme Non Conversion®*. These certifying bodies are the preferred partners of ProAgros, and must meet a number of requirements.

Certification bodies qualify when:

- The organisation has an extensive experience with sustainability certification in agro-food chains and works in accordance with the relevant ISO-norms (e.g. 17065, 17021, 17011) and is accredited by a national accreditation organisation affiliated with the IAF.
- The organisation has a broad international experience and is present in the main producing areas: Latin-America, North-America and Eastern Europe
- The organisation is operating independently and is not (in part) owned by a farmer's organisation, trader, food or feed company.

6.2 License owners

The license owner is the name for a SFAP-partner in the production country. These partners work directly with the farmers or the farmer groups. License owners pay a fixed yearly fee to ProAgros to obtain the right to certify farm groups against the *Sustainable Farming Assurance Programme®*.

In addition to the fixed fee, the license owner pays a fee per ton of certified material. License owners can certify groups of farmers on request of diverse supply chain actors (farmer cooperatives / farm groups, traders, feed companies etc.). Both the license owner and ProAgros are free to acquire new farm groups (supply) and customers (demand).

The roles and responsibilities for the license owner are as followed:

- Is the contact point for an organisation who wants to certify a certain supply shed
- Is the contact person for the group manager that wants to apply for group certification on behalf of all group members
- Verifies the robustness of the internal control system of the group
- Audits a number of farmers based on the risk based decision rules for sampling
- Handles complaints or questions of farmers about the certification procedure or audits
- Dealing with non-conformities conform the procedures described in this document.

7. Supply chain models

SFAP offers two supply chain solutions:

1. Book & Claim
2. Area Mass Balance

7.1 Book & Claim

Farmer groups that are successfully certified under the SFAP programme obtain SFAP-certificates corresponding to the volume of a certain product produced. This certificate is the right to sell a sustainability claim to the market. The SFAP certificates are issued by the Certification Body to the Group Manager of the producer group.

The Certification Body keeps a record of the total volumes certified under the SFAP certification scheme (s) on the accumulating volumes during a calendar year.

The Group manager may sell the certificates to ProAgros, the scheme owner. Each transfer of certificates will be administered by the Certification Body.

On a yearly basis the Certification Body will issue to the scheme owner

- 1) Total volumes certified during the calendar year.
- 2) Total volume transferred from the Group manager to the scheme owner.
- 3) A certificate transfer statement on total volumes transferred to individual end-users (This on initiative and volume indication of ProAgros).

7.2 Area mass balance

Under the area mass balance system, the farmer groups are allowed to transfer their ‘sustainability claim’ to the scheme owner. The scheme owner and the end customer design a supply chain approach in which the area from which the crops are (physically) bought corresponds with the area where the certificate have been issued. In this way a solution in between Book & Claim and Mass Balance is designed. This approach safeguards maximal impact in the sourcing area.

Disclaimer

The SFAP program is exclusively to be used by ProAgros and its SFAP license holders; like farm group management- and certification companies.

Certificates to be issued exclusively by ProAgros after verification of the farm (group) by a SFAP licensed Certification Body.

Certification registration will be done exclusively by or on behalf of ProAgros.