

Procedure Manual

Tools for Multiple Certification in Coffee Producing Groups



RED DE ASISTENCIA PARA PRODUCTOS PRIMARIOS SOSTENIBLES



Solidaridad

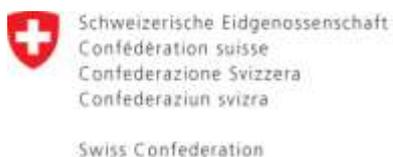


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Federal Department of Economic Affairs FDEA
State Secretariat for Economic Affairs SECO



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PRESENTATION

160 thousand families in Peru are dedicated to coffee cultivation in a surface of 380 thousand hectares. In 2010, 4,987,130 qq of green coffee were exported, with an FOB value of U.S. \$ 886,575,683. 94% of the produced coffee is intended for export.

Ever since Peru's first organic-certified container was exported back in the year 1989, sales of coffee with some type of certification have risen year after year. Today, 35% of the coffee-cultivated area (135,000 ha) has at least one certification (1.25 million quintals).

Most of Peru's coffee companies and organizations market coffees with two, three or more certifications, thus so field production, profit, processing and marketing shall meet various standards and norms, whose compliance is monitored by several different agencies, each with its own formats and standard interpretation criteria.

Multiple certification requires a concerted effort on the part of the organizations. In this regard one of the challenges of SCAN's national platform in Peru is the creation of tools to enable access to and handling of multiple certification.

In the course of the past two decades, coffee organizations have used, created and improved various multiple-certification tools. The national platform of SCAN Peru considered advisable to work on the basis of these experiences and progress. It was decided to work with companies and organizations that had multiple-certification experience, distributed throughout the main coffee regions. The organizations and companies collaborating in this process were the Central Fronteriza del Norte de Cafetaleros – CENFROCAFE (in Spanish) and Comercio & Cia. in the northern region, the Cooperativa Agraria Cafetalera Sostenible Valle Ubiriki and Corporación Café Perú SAC in the central region, and the Central de Cooperativas Agrarias Cafetaleras de La Convención y Lares – COCLA Ltda. and Bioazul of the ECOM Group in the southern region

Through 2010 and in February, 2011 a series of working meetings was held with the people in charge of the Control Systems, or Internal Management Systems of the above organizations and companies to review and simplify the following instruments: a model of internal standard, internal regulations, internal inspection card and commitment agreement between the organization and the producer. This procedure manual was prepared on the basis of documents worked and reviewed with the collaborating organizations.

The members of the SCAN platform express their gratitude to all the representatives of the organizations and companies that contributed to the preparation of this manual.

Our gratitude for the financial support, without which this work would not have been possible, goes to the Federal Department for Economic Affairs – Ministry of Economy of the Swiss Confederation, and to the Humanist Institute for Cooperation with Developing Countries - HIVOS.

The members of the Peruvian Platform of the Sustainable Commodity Assistance Network

Chapter I: Introduction

1. Multiple Certification

Access to a certification and the use of certification seals are important tools to access markets that value sustainable production practices. Regrettably, different standards require different instruments to demonstrate compliance with their respective requirements. In some cases, an organization must implement a number of instruments, many of them in parallel, to demonstrate compliance with the same principles (environmental or social) of different standards. In addition, in some cases, certifying institutions require the implementation of various instruments for the same standard. All of this hinders the efforts of smallholder organizations to become certified in order to access high-demand markets.

The Sustainable Commodity Assistance Network (SCAN) is an international initiative for the creation of capacities with the object of providing technical assistance services to producers that implement sustainable practices and wish to enter the market.

The objective of the work carried out by the Peru platform is the simplification of the tools used in the multiple certification of (smallholder) producer organizations and guaranteeing access to the major certification seals related to coffee cultivation. This manual is a product of this.

2. Introduction

Collective certification evolved as a response to the limitations of the small producers to attain the certification individually. Group certification consists of an inspection and authorization of producers performed by their same organization under the supervision and responsibility of a certifying institution.

The general requirements for certifying institutions of internationally recognized products, which are summarized in Peruvian Guide GP-ISO/IEC 65, allows subcontracting “external institutions to carry out tasks related to the certification (i.e., inspection) provided the certifying institution:

1. assumes full responsibility of the subcontracted work and maintains its responsibility for granting, maintaining, extending, suspending or withdrawing the certification.
2. assures that the “external institution” is competent and will meet the applicable requirements of the guide and other standards and is not directly involved with the production of the product, to avoid a conflict of interests.” (Art. 4.4)

If a certifying organization intends to base its certification on work performed by the same organization to be certified, it must inspire confidence. Its work must be effective, continued and transparent, and demonstrate to what extent the members of the Sustainable Production Program meet the requirements of the Internal Standards for Sustainable Production.¹

In order to perform reliable work, the organization must have an internal management system (IQMS), consisting of a minimum structure and authorization, inspection and appeal procedures. In addition, the organization shall guarantee product traceability, train the producers in the proper implementation of the internal standards for

¹ This standard summarizes the minimum requirements or criteria of the standards from organizations belonging to the SCAN Platform and the General Evaluation Guidelines of C.A.F.E. Practices, as well requirements or criteria common in more than one standard.

sustainable production, to avoid conflicts of interest, and assure the confidentiality of the data obtained.

This manual was prepared in compliance with the following international standards:

- Common Requirements for Producer Group Certification (ISEAL ALLIANCE PO35, 2008),
- Guidance Manual for Smallholder Group Certification (IFOAM, 2004),
- Overview of Internal Control Systems (UTZ certified, 2008),
- Standard for Group Certification - Rainforest Alliance (Sustainable Agriculture Network, 2011),

In addition, the following guides are considered:

- Guidelines for the evaluation of the equivalence of organic producer group certification schemes applied in developing countries, European Commission, 2003.
- Recommendations of the National Organic Standard Board – US Dept. of Agriculture (NOSB, 2002),
- Clarifying document regarding the Generic Fairtrade Standards for Smallholder Organizations (FLO, 2006),
- C.A.F.E. Practices Smallholder Supplement (Starbucks, 2005).

3. Presentation

The controlled documents are presented as loose pages to enable replacement when a new version is processed, reviewed and approved.

4. Objective

The general objective is to define the procedures to meet group certification requirements, which are to be followed by smallholder groups to be approved by certifying institutions.

5. Scope

Structure implementation and procedure application shall take place in every all smallholder organizations, who aspire to be capable of using one or several sustainable certification seals in the joint marketing of their products.

Chapter II: Structure

The minimum structure for an Integrated Quality Management System (IQMS) comprises a person responsible for the IQMS, in-house inspectors, an approving committee and a technical assistance area.

1. Responsible for IQMS

Duties:

- Management of the IQMS, particularly:
 - Planning, organization and coordination in the operation of the IQMS
 - Supervision of the proper implementation of IQMS procedures
 - Preparation of the IQMS operating plan (including scheduling internal inspections and keeping track of such schedule)
 - Providing support to the approving committee in its task
 - Internal-inspector training and support
 - Preparation of list of approved and sanctioned producers
 - Handling the entire IQMS documentation
- Communication with certifying institution.
- Preparation of a non-compliance and observation resolution plan
- Communication with producers of the Sustainable Production Program (decisions of the approving committee, reception of appeals).
- Direction of the Sustainable Production Program's technical assistance section
- Qualification, training and follow up of internal inspectors

Responsibilities:

- To assure IQMS effectiveness

Requirements:

- Graduate from a university or similar career institute
- Familiarity with relevant sustainable standards and the Internal Standards for Sustainable Production
- Familiarity with the Internal regulations
- Familiarity with IQMS procedures
- Agronomic knowledge of the crop and of potential production and management risks
- Minimum 3 years' experience in IQMS programs
- Familiarity with local customs, idiosyncrasy and language
- Work experience in a certifying institution or as an inspector/auditor preferred

2. Internal Inspector

Duties:

- Performance of the annual internal inspection for all assigned productive units

Responsibilities:

- To sign the form "Declaration of Confidentiality and Conflicts of Interest", prior to executing an inspection visit.
- To perform internal inspections as per procedure PRO-02.

Requirements:

- Familiarity with the Internal Standards for Sustainable Production and their enforcement
- Familiarity with procedure PRO-02
- High familiarity with the Internal Inspection Card (REG-04)

- Agronomic knowledge of the crop and of potential production and management risks
- Sound summarizing and writing skills
- Ability to read and write
- Familiarity with local customs, idiosyncrasy and language

3. Approving Committee

Duties:

- Decide over producer approval, or not, on the basis of Internal Inspection Cards
- Decide over the application of penalties in the event of violation
- Take part in the Appeals Committee

Responsibilities:

- Decide over the authorization and sanction of producers associated to the Sustainable Production Program

Requirements:

- Familiarity with the Internal Standards for Sustainable Production
- Familiarity with procedure PRO-01
- Familiarity with the Internal regulations
- Familiarity with local customs, idiosyncrasy and language
- Sound relations with producers

4. Technical Assistance Area

Duties:

- Train small producers, members of the sustainable production program

Responsibilities:

- Assure producers' familiarity with the Internal Standards for Sustainable Production
- Assure the understanding of the records for the internal inspection.
- Provide technical assistance to improve the management of the productive units.
- Prepare the Management Plan, jointly with the producers.

Requirements:

- Familiarity with the Internal Standards for Sustainable Production
- Familiarity with the Internal regulations
- Familiarity with IQMS procedures
- Agronomic knowledge of the crop and of potential production and management risks
- Smallholder training skills

Chapter III: Action Procedures

In order for procedures that enable multiple-certification to be recognized by the various owners of sustainable certification seals, it is advisable to make amendments of such procedures only as stipulated by SCAN initiative, for which reason, the document preparation and control procedure (PRO-00) shall not be distributed to the producer organizations.

The following procedures shall assure an effective performance by the producer organizations and their Sustainable Production Programs.

	Prepared by:	Reviewed by:	Approved by:
Signature Date			

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	PRO - 00	
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1. OBJECTIVE

To enable the preparation of SCAN Platform documents, establishing the procedure to follow in the preparation, review, approval, revision, distribution and control of their validity.

2. SCOPE

Applicable to all the internal documents of the SCAN Platform. All procedures, records and instructives approved within the framework of the SCAN platform shall be adjusted to this procedure.

3. REFERENCES

- 3,1 ISO 9000:2007 Quality Management System - Fundamentals and Vocabulary
- 3,2 ISO 9001:2008 Quality Management System - Requirements

4. DEFINITIONS

4.1 Quality Management System: Management System followed to direct and control an organization with regards to quality.

4.2 Procedure: A specified way to carry out an activity or process. It establishes what, where, when, how and by whom.

4.3 Work Instructive: It describes in detail additional activities that arise from the execution of procedures and which, given their extent of complexity, require clarification; i.e., guides or directives.

4.4 Record: Document that presents results obtained or provides evidence of activities carried out.

Records can be used, for instance, to document traceability and to provide evidence arising from inspections, and preventive and remedial actions.

4.5 Quality Manual: Document that defines the Quality Management System of an organization.

4.6 Reference Documents: All documents related to the procedure (laws, manuals and procedures, among others), hard printed or electronic, used as reference for proper interpretation, application or modification of the document to which this procedure refers.

5. RESPONSIBILITIES

5.1 All representatives of the organizations that take part in the SCAN Platform collectively are responsible for the approval of this procedure.

5.2 The SCAN Platform coordination is responsible for supervising the preparation or revision of this procedure, submitting it for approval, supervising its proper application and distributing it to all parties involved.

5.3 Revisions to this procedure can be outsourced to a natural or legal person by the SCAN Platform coordination.

5.4 The natural or legal person who prepares and/or revises this procedure, is responsible for its issue in accordance with this procedure.

6. DESCRIPTION

6.1. Document Preparation

6.1.1. Criteria

 RED DE ASISTENCIA PARA PRODUCTOS PRIMARIOS SOSTENIBLES	SCAN - Perú	
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- a. SCAN Platform documents are prepared using MS Word.
- b. All texts are developed using font Arial 11, with the exception of the tables and graphs used, which are prepared as needed by the user.
- c. Text alignment is justified.
- d. The contents of the documents shall be simple, clear and objective, considering that they will be used for their execution by users, organization members that apply sustainable standards.
- e. Once the documents are prepared, these shall be verified in their application, such that:
 - ⊗ The process can be executed according to planning, and it is the responsibility of the representatives of the organizations comprising The SCAN Platform to perform the corresponding verification.
 - ⊗ Users are capable of following the instructions indicated in the document. □

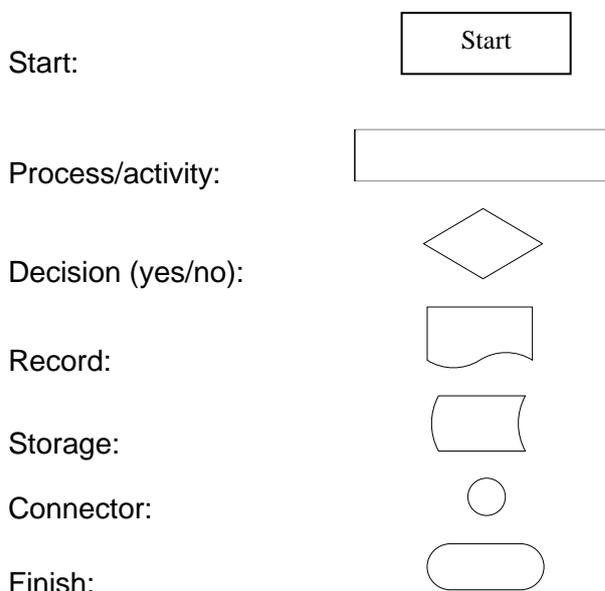
6.1.2 Language and Wording

The contents of the documents are written in Spanish with the verbs conjugated in present; whenever possible, it is advisable to avoid the use of infinitive imperatives. All terms or acronyms whose explanation is considered necessary for a better understanding of the procedure, are listed and defined in alphabetical order in a Glossary of Terms in an Addendum.

6.1.3 Graphics

The documents may or may not include flow charts; when these are included, use the symbols indicated in the example below:

Flow-Chart Symbol Application



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6.1.4 Page Design

Document design consists of a heading with 6 fields as shown below:

Field 1	Field 3	
	Field 4	
Field 2	Field 5	Field 6

- Field 1: It must contain the name/logo of of The SCAN Platform.
- Field 2: It must contain the document title in bold upper/lower case letters.
- Field 3: It must contain the name of the issuer
- Field 4: The documents are identified by a code, according to the following structure: XXX-YY

where:

XXX: Letters that identify the type of document as shown in the following table:

Type of document	Acronym
Procedure	PRO
Work Instructive	ITR
Record	REG

YY: It is the sequential number (starts at 01) associated to each issuer

- Field 6: Review Number. Starts at "00"
- Field 7: Number of pages. i.e., 1 of 20.

6.1.5 Document Content:

Procedures and instructives are prepared according to the form included in Addendum 2.
 The structure and content of the Records are defined on the basis of specific requirements.

6.2 Document Control

6.2.1 New documents

By way of its coordinating members ("the coordination"), The SCAN Platform can outsource the preparation of documents to a consultant, whenever it is considered that the absence of this documentation directly affects the quality of the process. The allocation of document codes shall be the responsibility of the coordination.

6.2.2 Document Review and Approval

The document shall be reviewed and validated by the individuals, members of the organizations that apply social standards and work with the document. The coordination shall sign the review on their behalf.

The coordination submits the document to the organizations members of The SCAN Platform for evaluation and approval.

The front page shall bear the position and name, date and signature of those in charge of the preparation, review and approval, as indicated below:

Signature Date	Prepared by: Natural or legal person, in charge of preparing the document	Reviewed by: SCAN - Peru Coordination, Full name	Approved by: Member organization of SCAN Platform 1, Full name
	Signature Date		Member organization of SCAN Platform 2, Full name
Signature Date			Member organization of SCAN Platform 3, Full name

The effective date of the procedure starts on the date indicated in the “Approved by” box.

6.2.3 Document Control and Record

Those in charge of reviewing the document are responsible for assuring its compliance with the structure established herein.

If the document is a revision of a previously approved document, the SCAN Platform coordination assigns a new consecutive revision number.

The SCAN Platform coordination ensures that the revisions are identified according to Paragraph 6.2.6. Once the document revision is codified or updated, the SCAN Platform coordination distributes the document to all the members of The SCAN Platform in pdf format. The name of the file is made up of the document code, followed by a space and followed by an acronym of its title; i.e., “PRO-00 Documents.”

6.2.4 Document Distribution and Withdrawal

Controlled documents associated to The SCAN Platform are distributed through its member organizations to the organizations that apply sustainable standards. The SCAN Platform’s member organizations ensure that the documents are made available at use points.

Only documents bearing all the preparation, review and approving signatures, submitted by the SCAN Platform coordination, in their last revision, have working validity for the organizations that apply sustainable standards and for member organizations of The SCAN Platform.

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Valid documents are provided with their corresponding date of approval and revision number in record “REG-00, SCAN - Peru Document Listing”. The SCAN Platform coordination is responsible for notifying the members of the platform about obsolete documents so these in turn inform the organizations that apply sustainable standards.

Organizations that require a SCAN Platform document shall request it from the SCAN Platform coordination.

6.2.5 Document Files

The SCAN Platform coordination keeps electronic files of controlled documents and a hard copy of the original, corresponding to each document in the system (procedures, instructives and records).

The SCAN Platform coordination maintains a copy of the previous revisions of each document to document the development of the implemented system.

6.2.6 Document Revision

Those in charge of the organizations that apply sustainable standards, as well as the member organizations of The SCAN Platform can revise a document as a result of some change in the process or of a preventive or corrective measure.

Through an arrangement with the SCAN Platform coordination, and at their discretion, one or several significant changes may give rise to a new revision, which may be outsourced, via the SCAN Platform coordination, to a consultant.

When a document and/or its Addendum are revised, its review and approval date, as well as the Signature of those in charge of its preparation, review and approval shall be updated.

The revision of any paragraph in the text of a document is described in “Chapter 9, REVISION CONTROL”. The included data regarding the changes will be replaced in the following revision, by the new changes.

When changes made in one or several paragraphs are extensive, it is described in combined cells of the change-control matrix: “Given the magnitude of the changes, the user shall read carefully the revised paragraphs”, indicating the paragraph number following revision.

7 RECORDS

REG - 00: SCAN - Peru Document listing

8 ADDENDA

ADDENDUM 1: Contents of Procedures and Instructives

ADDENDUM 2: Document Preparation Flow

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9 REVISION CONTROL

Where paragraph reads	It should read

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REG-00: SCAN - Peru Document listing

Code	Title	Number	Review	Date	Approval

Signed by SCAN Platform Coordination

Date:

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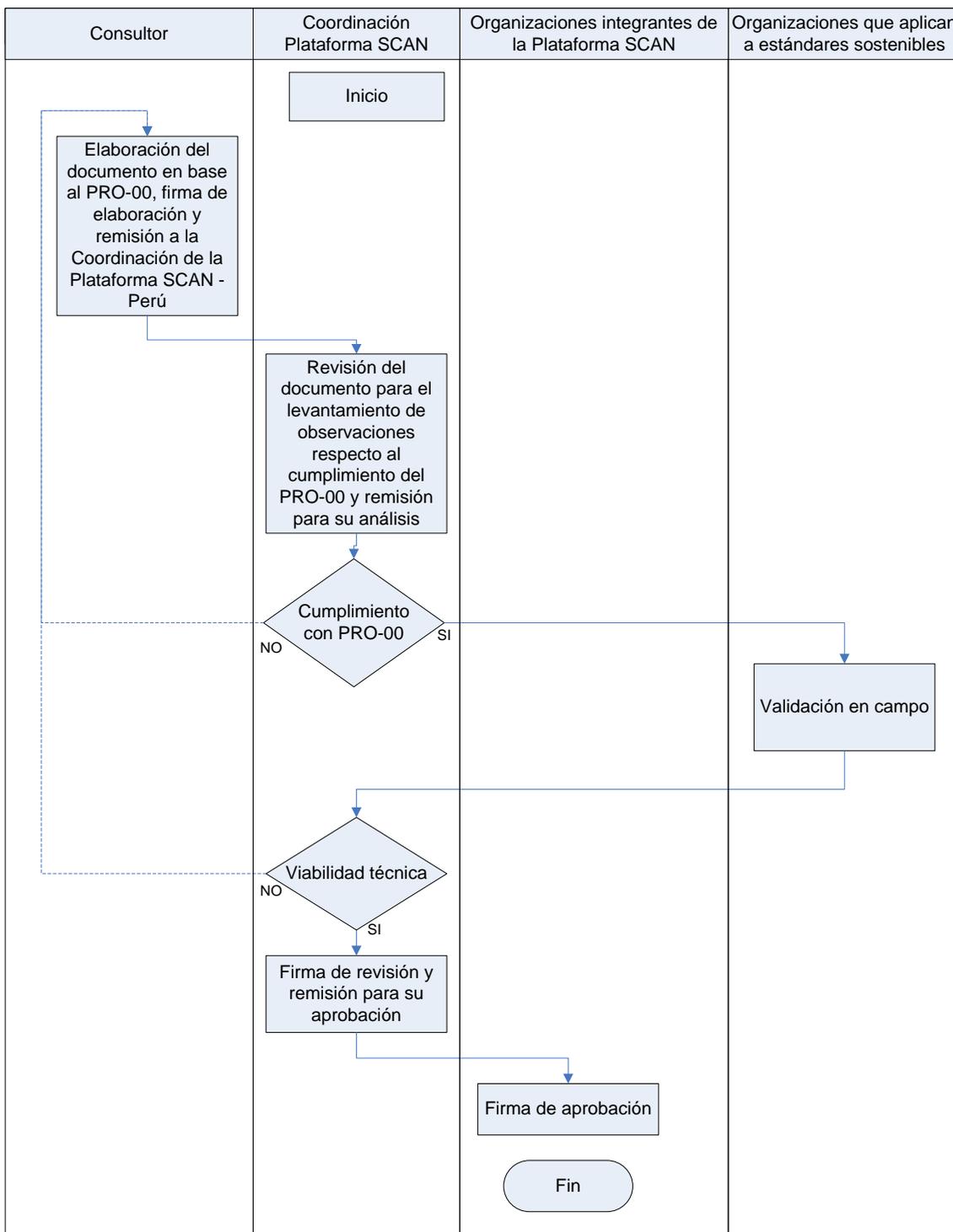
ADDENDUM 1: PROCEDURE AND INSTRUCTIVE CONTENT

Procedures and instructives shall include the following chapters:

Chapter	Content
TABLE OF CONTENTS	shall include the numbering and heading of each chapter.
1. OBJECTIVE	indicates the purpose or object of the document..
2. SCOPE	describes the document's operating range.
3. REFERENCES	makes mention of one or more documents or standards directly related to the procedure. Instructives may or may not include this chapter.
4. DEFINITIONS	explains the meaning of terms and acronyms to help clarify the procedure. Instructives may or may not include this chapter.
5. RESPONSIBILITY	defines those in charge of executing the activities.
6. DESCRIPTION	illustrates the sequence of activities. It may include flow charts.
7. RECORDS	listing of data generated during the execution of the procedure that provides evidence of its performance.
8. ADDENDUM	additional document included in a procedure or instructive to sustain or prove a point. It is additional information, such as more specific definitions or explanations on subjects mentioned in the document.
9. REVISION CONTROL	indicates the changes being made to any paragraph in the document.

Note: When a section is not pertinent, "N/A" shall be entered.

ADDENDUM 2: DOCUMENT PREPARATION AND REVISION FLOW CHART



Insert Producer Group Logo	SCAN - Peru	
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	Prepared by:	Reviewed by:	Approved by:
Signature Date			

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Insert Producer Group Logo	SCAN - Peru	
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1. OBJECTIVE

To standardize producer qualification for the sustainable production program and the preparation of the productive unit list for external certification, and to authorize marketing of products with sustainable certification seals, following authorization by an external certifying institution.

2. SCOPE

Applicable to all producers of an organization aiming to market products with sustainable certification seals.

3. REFERENCES.

3.1 Internal regulations

3.2 Internal Standard for Sustainable Production

4. DEFINITIONS

4.1. Transition period: Elapsed time from the last application of forbidden products and implementation of Organic Production principles until granting of the organic certification.

4,2 T1, T2, T3: Organic-transition status levels of productive units in the sustainable production program, where T1 represents the first, T2 the second and T3 the third years of transition. After the third transition year, the product can be marketed as organic once the organic standard has been met.

4,3 Record: A document that presents results obtained or provides evidence of activities performed.

4,4 Findings: Results of the evaluation of evidence derived from an internal inspection. A finding may be in line with the standard, or an observation, or represent a noncompliance.

4.5 Noncompliance: A breach described in the Internal Standard for Sustainable Production that may affect the sustainable condition of the product (major noncompliance) or not (minor noncompliance).

4.6 Observations: Evidence of a breach to sustainable production principles (Internal Standard for Sustainable Production) that may or may not affect the integrity of the sustainable product.

4.7 Productive Unit: Farm or plots destined to Sustainable Production.

4.8 External Audit: a quality-management-system evaluation visit by a certifying institution, authorized by the owner of the sustainable certification seal.

5. RESPONSIBILITIES.

5.1 The certifying institution is responsible for authorizing members of a sustainable production program to use sustainable certification seals.

5.2 The sustainable production program, through its approving committee, is responsible for authorizing producers to use sustainable certification seals, following program authorization by an external certifying institution.

5. 3 The IQMS coordinator prepares the list of producers for external certification and the list of penalized producers. He/she notifies the producer about the decision of the approving committee. He/she is the person in charge of supervising the proper application of this procedure.

5.4 The internal inspectors are responsible for the performance of internal inspections as per PRO - 002 and for the presentation of the internal inspection sheet to the approving committee.

6. DESCRIPTION

Insert Producer Group Logo	SCAN - Peru	
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6.1. Applying the Sustainable Production Program.

A producer who is interested in marketing its products with a sustainable certification seal receives the Basic Information Sheet (REG - 01) and the contract (REG - 02) from the IQMS coordinator. The producer shall fill and sign both forms and return them to the IQMS coordinator. The producer can ask technical assistance for support in filling out such documents.

6.2 Compliance Control

6.2.1 Document Evaluation

The IQMS coordinator evaluates whether the documents submitted are complete. If they are, he/she includes the producer in the list of producers for internal inspection, if these documents are not properly filled out, they are returned for revision by the producer.

6.2.2 Internal Inspection

Prior to commencement of the harvest campaign, an internal inspection is performed. PRO - 002 shall be followed for internal inspections. Following this inspection, the inspector presents the Internal Inspection Sheet (REG - 04), properly filled out and signed.

6.3 Process of Approval and Disclosure of Results

6.3.1 Confidentiality and Conflicts of Interest

Every year, the members of approving institutions must fill out form "Declaration of Confidentiality and Conflicts of Interest" (REG - 03) prior to evaluating internal inspection sheets for approval. In the event that the declaration is false, the member shall be subject to the penalties that the organization deems pertinent. In case a member has declared a possible conflict of interest with any of the producers, it shall neither speak nor vote in their evaluation.

6.3.2 Approval

The approving committee evaluates certification candidates at least three weeks prior to the date scheduled for external audit. It compares the findings documented on the internal inspection sheet with the dispositions of the Internal Standard for Sustainable Production.

If the internal inspection sheet fails to reveal noncompliance or observations, the producer is approved to be a member of the group to obtain the endorsement of the external certifying institution (external audit). In the case of organic production, the productive unit may be classified as "in transition" (T1, T2 or T3).

If minor noncompliance or observations are detected, the producer may continue selling its products as sustainable or, during transition to organic, passes on to the next transition level while the resolution of the noncompliance or observations is performed in the following internal inspection.

6.3.3 Violations

In the event that the approving committee detects critical or major noncompliance, it may exclude the producer from the sustainable production program, prevent their products from being sold as sustainable for a period of time (for the organic certification seal, the transition level may drop down to T1), or condition the sale of sustainable products to the resolution of noncompliances or observations.

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A description of violations to the Internal Standard for Sustainable Production and their corresponding penalties is listed in Addendum 1.

6.3.4 Disclosure of Results

The list of approved producers and the list of those that have been excluded, temporarily suspended or, in the case of organic production, reversed in the transition level, are submitted to the IQMS coordinator by the approving committee.

The IQMS coordinator prepares two lists:

1. List of approved producers

Full name of producer, national identity document (DNI in Spanish) of producer, Producer code, Location (community, colony, field), Date of registration to the sustainable program, Certification status, Total surface area of each farm, sorted by area (crops, pasture, forests, etc.), area of sustainable cultivation, Amounts harvested in the previous year, Estimation of the following year's harvest, Name of the internal inspector and date of last internal inspection.

2. List of penalized producers

Full name of the producer, Producer code, Location (community, colony, field), Penalty imposed by the approving committee, description of noncompliance or observation.

The IQMS coordinator prepares the notifications of noncompliance or observations and submits them to the corresponding producers. Simultaneously, he/she submits the two lists to the certifying institution to report the IQMS decisions such that they may schedule its external audit.

In addition, the IQMS coordinator prepares a final report of the IQMS operation and submits it to the certifying institution.

Furthermore, he/she sends the list of approved producers with their volumes and certification status (T1, T2, T3 in the case of organic crops) to the corresponding storage warehouse, which enables the purchase of products from their respective producers.

6.3.5 Continuous Improvement

The IQMS coordinator prepares and implements a plan to improve the performance of the IQMS and of the members of the Sustainable Production Program. This plan is based on risk assessments, the result of internal inspections, the results of the external audits, claims and appeals and the review of market demands.

The IQMS coordinator performs, in conjunction with the producers, a periodic risk assessment, considering the members' production, potential dangers to product integrity and the operation of the IQMS.

Insert Producer Group Logo	SCAN - Peru	
	PRO - 01	
Procedure: Producer Approval	Rev.: 0	Page 15 of 19

7 RECORDS

- REG - 01: Basic Information Sheet
- REG - 02: Contract
- REG - 03: Declaration of Confidentiality and Conflicts of Interest
- REG - 04: Internal Inspection Sheet

8 ADDENDA

- Addendum 1: Description of Violations and Penalties
- Addendum 2: Producer Approval Flow Chart

9 REVISION CONTROL

Where paragraph reads	It should read

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REG - 01: Basic Information Sheet

1. PRODUCER DATA

Association: Full name of the producer:	
Community: District: Province:	Region: Code: Promoter:

2. GENERAL FARM DATA

Altitude (m.a.s.l.): Rainfall (mm): Average Temperature (°C):	Total hectares: Number of plots:
Global Positioning (UTM) of the farm DATUM: WGS 84 North: _____, _____ East: _____, _____	

Layout of the farm:

Name of plot	Total (ha)	Coffee (ha)	Sugar cane (ha)	Grain (ha)	Banana (ha)	Pasture		Forest (ha)	Last application of agro-chemical Date and Product Name
						Cultivated (ha)	Natural (ha)		

Plants:
Wild animal species:

3. PRODUCTION DATA PER HARVEST

2008 Total production (qq): 2009 Total production (qq):	2010 Total production (qq): 2011 Total estimation (qq):
--	--

4. CERTIFICATIONS

Sustainable () Organic () Fair trade ()

5. INTERNAL INSPECTIONS

Internal inspector	Date	Result

6. EXTERNAL INSPECTIONS

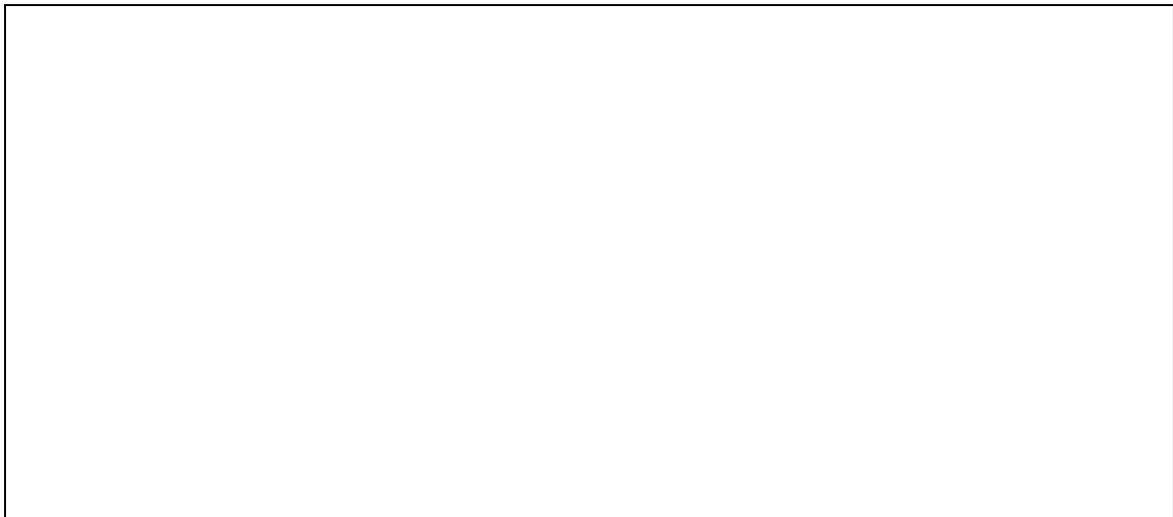
External inspector	Date	Result

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7. LOCATION SKETCH MAP OF THE FARM



8. SKETCH MAP OF THE FARM



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9. SOIL PRESERVATION

Measures taken at plantations:				
Erosion Issues:	Low ()	Average ()	High ()	
As it controls the weeds:				
Evaluation of the preservation:	Very good ()	Good ()	Fair ()	Poor ()

10. DESCRIPTION OF COFFEE CROP

Previous use of the land:

Surface Area (ha)

Coffee variety:

Seed source:

Plants per ha

Spacing

Age of the coffee plantation:

Terrain preparation for sowing:

Preparation for germination:

Seed selection for nursery:

Seed preparation:

Sowing type:

Nursery type:

Were soil preservation practices performed during sowing?

Associated crops:

Shade, type and number of trees:

11. PROFILE OF FARMING TASKS

TASK	YEARS		
	2009	2010	2011
Fertilizing performed: time of year, labor cost			
Type of fertilizer and amount per plant			
Source and cost of fertilizer per sack			
Shade handling and labor cost			
Soil-conservation practices, type of practice, labor cost, time of year and areas with soil-conservation practices			
Pests, diseases and their control: Hypothenemus hampei, Hemileia vastatrix, mycena citricolor, Pellicularia koleroga, Rosellinia bunodes? Type of control? Cultural, Chemical, Labor cost			
Pruning of the coffee plantation? Time and labor cost - amount per hectare			
Main weeds and their control, time and labor cost			
Harvest - period and labor cost			
How many passes per harvest campaign			
Parchment coffee production in qq			
How many kg does a coffee tin weigh?			

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13. ENVIRONMENTAL ASPECTS

- What is the most serious threat to the environment and what is its cause?
- Do you have latrine facilities?
- Do you handle organic and inorganic waste?
- What do you do with empty chemical product containers?
- What do you do with domestic waste water?
- In what ways have you received information on environmental conservation practices in your farm?

14. SOCIAL ASPECTS

- How long has your family been living in the area?
- What is your house made of?
- Does your family consume clean water?
- Is there a health center nearby?
- How many people live in the family residence?

15. FINANCIAL ASPECTS

- Annual income?
- Marketing chain of the coffee?

16. TRAINING

- Have you received coffee-related training from an organization?
- What type of technical assistance would you like to receive in the coming years?
- Would you like to receive agronomic pamphlets on coffee crop handling?
- What type of training would you like to receive, on what subjects and when?

17. SIGNATURES OF THE PRODUCER AND THE TECHNICIAN

Full name of producer

Full name of technician

REG - 02: Contract

Commitment to sustainable production is hereby certified, agreed upon, on the one hand by _____ (hereinafter referred to as the "organization"), represented by _____ (legal representative) and, on the other, by Mr. (Ms.) _____, identified with national identity document # _____, owner of the farm _____, located in the _____ area, of district _____, province _____, region _____ (hereinafter referred to as the "producer"); under the following terms:

- a. The producer agrees to meet the Internal Regulations of the Sustainable Program, the Internal Standard for Sustainable Production; and the following standard basis checked with an "X":

Regulation for Peruvian Organic products (DS 044-2006-AG)	NOP USDA (Jan, 2009)	CEE 834/2007 and 889/2008	JAS Notific. 1605 (Oct. 2005)	Fairtrade Org's Generic criteria for Small producers (Jan, 2009)	RAS Standard for Sustainable Agriculture (July, 2010)	UTZ-certified Code of conduct (Jan, 2010)	STAR-BUCKS C.A.F.E. Practices Guidelines V2.0 (Oct. 2007)
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

- b. The producer agrees to enable access to areas, such as production, preservation, animal raising; coffee warehouse; storage facilities for supplies, materials and equipment used in the cultivation and wet milling; water sources; housing facilities, dining rooms and sanitary services; he/she also agrees to review of documents pertaining to programs and management plans, log and/or record books, and purchase and sales receipts; as often as the organization, internal inspections or external audits consider it pertinent
- c. The producer agrees to assume the penalties imposed by the approving institutions, as stipulated in the corresponding procedure.
- d. The producer is entitled to appealing the decisions of the approving institution.
- e. The producer provides the organization with all information required.
- f. The producer provides the organization with information regarding deliberate or unintentional noncompliance under its responsibility.
- g. The producer shall market its certified production through the organization, and agrees to cover the costs associated to its production inspection and certification processes.
- h. The producer is entitled to terminating this contract by means of a resignation letter when considered pertinent.
- i. The organization agrees to manage and provide training to internal inspectors, approving committee, promoters and producers on internal regulation requirements and the implementation of the Internal Standard for Organic and Sustainable Production.
- j. The organization agrees to include the producer in the list of producers for external certification, provided approval has been granted by the approving institution.

Signed in agreement in on date.....:

Effective until: ___/___/___

Signed:

Sustainable producer

Legal representative of the Organization

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REG - 03: Statement of confidentiality and conflicts of interest

I, the undersigned,, national identity document N°

- In charge of internal inspections
- Member of the approving committee

hereby certify:

that, during and following my participation in the producers' authorization process, I will maintain confidentiality regarding the information collected in the producers' inspection or approval [as well as] any information described as intellectual or confidential farm provided by the applicant of the approval or obtained from other sources.

In addition, I declare that I shall:

1. To comply with the stipulations established in the corresponding procedures with appropriate ethical conduct while performing my assigned tasks.
2. Be impartial and not allow pressure of any nature to affect my technical judgment.
3. Report immediately to the IQMS coordinator any situation that may jeopardize objectivity with respect to the tasks I shall execute within the sustainable production program.
4. Refrain from inspecting or evaluating productive units, farm of relatives or close friends or producers who have previously received technical assistance from me, in the approving process.

.....
Place and Date

.....
Signature

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REG - 04: Internal Inspection Sheet

I. General data. -							
Producer:		Code or DNI #:		Status:			
Organization:		Sector:		Village:			
District:		Province:		Region:			
Internal inspector		Date of Inspection		UTM Coordinates (house/office):			
II. Standards to meet. -							
NOP		EEC # 834/07 889/08		JAS Notific. #1605		Peru DS # 044/2006 Ag	Internal regulations
FLO		UTZ		RAS		C.A.F.E. Practices	Internal Standard

III. Plot Data. -													
Name of the Plot(s)	UTM Coordinates	Surface (ha)									Production (qq)		
		Coffee		Cacao		Pasture	Purma	Forest	Other	Total	Coffee		Cacao
		Prod.	Crec.	Prod.	Crec.						Avg. '08, '09 and 2010	Est. 2011	Avg. '08, '09 and 2010
All													

IV. Standard Compliance Verification. -					
Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
DOCUMENTED MANAGEMENT SYSTEM					
1. Are you familiar with internal regulations?	FLO				
2. Are you in possession of a copy of the commitment to comply with internal regulations and standards, observing their objectives and social-environmental policy?	FLO				
3. Have you received training from the Internal Management System? Which did you attend?	FLO				
4. Have you prepared a sketch map identifying cultivation plots, adjacent nurseries, erosion buffering, protection and risk areas, bodies of water, areas for human use and areas of risk to people's health?	UTZ RAS FLO				
5. Do you have an annual production plan and is your record book or log of implemented programs up to date?	ALL				
6. Do you record the application of fertilizers and crop-protection supplies?	ORG UTZ				
7. Do you record salaries and recognize worked	CP				

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overtime?	UTZ FLO				
-----------	------------	--	--	--	--

Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
8. Is production and processing energy consumption recorded and reduced?	UTZ				
9. Are land irrigation water volume and its usage efficiency recorded?					
10. Is the volume of water used in wet milling recorded and reduced?					
11. Is the certified coffee harvested sorted and identified according to origin, and is there documentation to support delivery or sale?	ALL				
12. Have you enabled new cultivation areas, has your IMS evaluated the risks and consequences on people's safety and the environment?	UTZ RAS				(
13. Do you know whether our SIG evaluates the transport service providers and/or contractors' compliance with social-environmental, sanitation and health requirements?	UTZ FLO				
14. Do you have a list of wild plants and animals in your farm?					
SOCIAL WELFARE AND LABOR					
15. Is good housekeeping evident in the farm, warehouses, sleeping and living quarters as a whole?	UTZ FLO				
16. Is there access to nearby washrooms or latrines in clean and worthy conditions?	UTZ FLO				
17. Is there access to drinking water? Is it boiled or purified?	UTZ FLO				
18. Are measures taken to perform safe work, indicating risk areas and using personal protective equipment?	UTZ RAS				
19. Is there access to health and education services?	UTZ FLO				
20. Are measures taken such that working does not jeopardize the development, health and education of minors; and are hired workers above 15 years of age?	CP UTZ RAS FLO				
21. Are all workers paid a salary equal to or greater than the standard minimum wage in the region? Are payments for men and women different for a given task?	CP UTZ RAS FLO				
22. Does producer refrain from discriminating, and endorsing forced labor, without rest and without physical punishment, as well as sexual harassment and verbal abuse?	CP UTZ RAS FLO				
23. Do you have protective equipment in good condition for the application of fertilizer and crop-protection supplies? Which?	CP UTZ RAS FLO				

Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
24. Is there access to first-aid kits, suitable for	UTZ				

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responding to the identified risks?	FLO				
CONSERVATION OF ECOSYSTEMS, WATER, SOILS AND WILD LIFE					
25. Do you plant various local shade-tree species in the area?	UTZ				
26. Do you forbid hunting wild animals and harvesting wild plants, and know the endangered species in your area?	RAS				
27. Do you refrain from catching or keeping wild animals in captivity?					
28. Are new crop areas located outside Protected Natural Areas (ANP in Spanish)?	UTZ RAS FLO				
29. Do you safeguard the integrity of the natural water streams and/or bodies in the forests and other ecosystems; without filling or draining moist soils? Is your crop more than 10 meters away from permanent natural water streams?	RAS				
30. Have you refrained from converting natural forest to agricultural production; and from destroying and/or burning forests or micro headwaters as of March, 2004?	ALL				
31. Are new production areas located in suitable weather, soil and slope conditions?	UTZ RAS FLO				
32. Are soil conservation and structure practices implemented? (green covers and fertilizer, mulches, organic matter, etc.)	ORG UTZ FLO				
33. Do you have a soil fertilization program based on soil analyses performed every three years?	FLO				
34. Is there contamination risk prevention applied to bodies of water, roadways and crop areas, establishing buffer zones, with reforestation and/or natural regeneration?	ORG UTZ				
35. Do you indicate plots, buffer zones and conservation areas with signs?					
36. Are all waste water from living facilities and the wet-milling plant handled according to their source and polluting load content; and is irrigation not performed using waste water?	ORG UTZ				
37. Do you prevent natural water bodies from becoming contaminated with liquid or solid wastes?	ORG UTZ RAS				
38. Do you ensure that no leaks exist in pipes and/or distribution networks?					

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Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
INTEGRATED HANDLING OF CROPS AND WASTE MATERIAL					
39. Are the seeds used in your crop healthy and free of unauthorized chemical agents, and come from the organic production of varieties adapted to the area?	ALL				
40. Are you using authorized fertilizers and/or organic crop protection agents in your farm? Which ones? In what ratio? Who advised you? Do you have the technical specifications of the product applied?	ALL				
41. Do you follow good preservation practices to avoid pests, diseases and weeds? Which ones? Do you avoid burn agriculture?	UTZ				
42. Do you leverage as much as possible on the organic materials found in your farm for fertilizing?	ORG				
43. Does manure become compost in 15 days with a minimum of 5 turns or is it applied 90 days prior to harvest?	NOP				
44. Are fertilizers, crop-protection supplies, and their residues separately stored in isolated, dry, ventilated, clean and marked locations, laid out to prevent contamination of water bodies?	ORG UTZ				
45. Are the milling facilities kept clean and in proper condition?	ORG CP UTZ				
46. Are harvest weight and/or volume measuring equipment calibrated?	UTZ				
47. Is the coffee fermentation process carried out in suitable and clean containers?	ORG CP				
48. Are the coffee drying facilities and packing material free of any source of pollution?	ORG CP UTZ				
49. Is there access to a roofed area suited for coffee storage on decks, in ventilated areas with adequate clearance from the walls?	ORG UTZ				
50. Are the residues derived from the milling operation safely and adequately handled and/or treated?	ORG UTZ				

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Summary of Findings:

Requirement #	Findings

By signing this document, we confirm that the findings documented in this Inspection Sheet are legitimately true.

Signature of Producer

Company/signature of the Internal inspector

----- to be filled out by the Approving Committee -----

- Exclusion from the program
- Suspension of the sale of sustainable organic products: status drops to
- Suspension of the sale of sustainable products until noncompliance is assessed:
.....
- Noncompliance and observations shall be assessed until the following internal inspection
- Approved without conditions

Summary of remedial actions

Requirement #	Remedial Action Required	Deadline

On behalf of the Approving Committee:

.....
Place and date Signature of Approving Committee representative

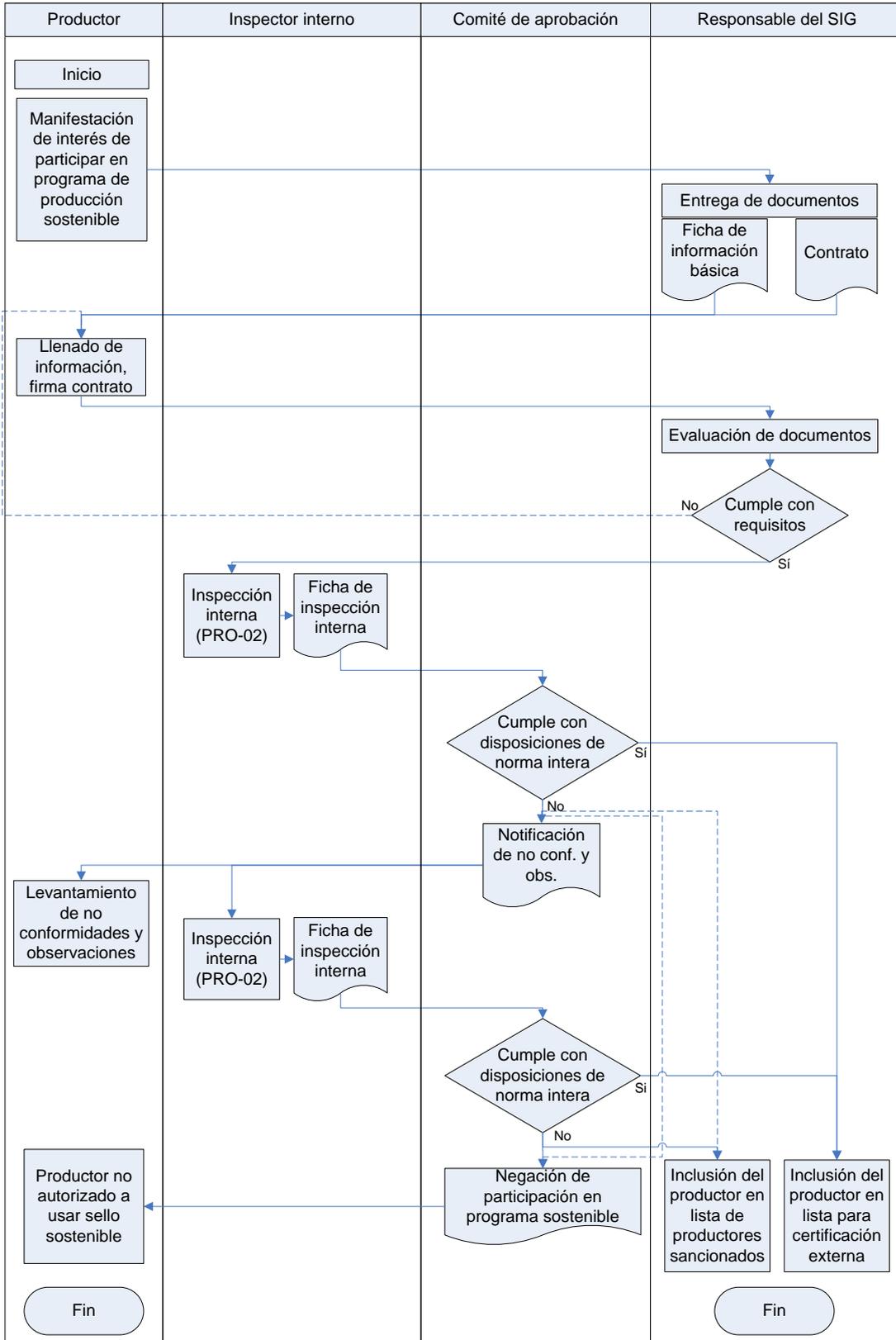
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Addendum 1: Description of Violations and Penalties

Violation	Reason	Type of Penalty
Very serious	<ul style="list-style-type: none"> • Violations against product quality integrity² without due notification to the internal inspector or IMS representative • Document and record counterfeiting • Internal Regulation violations the disable effective monitoring of productive units with repeated violations 	Permanent exclusion
Serious	<ul style="list-style-type: none"> • Violations against product quality integrity with due notification to the internal inspector or IMS representative • Internal Regulation violations, in terms of being able to assure effective control of the productive units • Noncompliance in the implementation of corrective measures against repeated violations 	Suspension of sale as sustainable product; regression in (organic) transition process,
Minor	<ul style="list-style-type: none"> • Noncompliance in the implementation of corrective measures • Noncompliance to agrarian and social dispositions (important criteria). 	Temporary suspension of sale (until the implementation of corrective measures)
	<ul style="list-style-type: none"> • Minor violations 	Breach assessment notification until following inspection

² A violation against product quality integrity implies that such product no longer possesses the quality to which the corresponding certification seal refers; i.e., the use of supplies unauthorized for organic production, the combination of products with sustainable standards with conventional products, employing children labor to achieve production, etc.

Addendum 2: Producer Approval Flow Chart



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	Prepared by:	Reviewed by:	Approved by:
Signature Date			

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2. SCOPE
3. REFERENCES
4. DEFINITIONS
5. RESPONSIBILITIES
6. DESCRIPTION
7. RECORDS
8. ADDENDA
9. REVISION CONTROL

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1. OBJECTIVE

To standardize the gathering of information during internal inspection visits to productive units of producers interested in marketing their products with sustainable certification seals.

2. SCOPE

Applicable to all producers of an organization aiming to market products with sustainable certification seals.

3. REFERENCES.

3,1 Internal Standard for Sustainable Production

4. DEFINITIONS

4.1 Record: Document that presents results obtained or provides evidence of activities carried out.

4.2 Findings: Results of the evaluation of evidence derived from an internal inspection. A finding may be in line with the standard, or an observation, or represent a noncompliance.

4.3 Noncompliance: A breach described in the Internal Standard for Sustainable Production that may affect the sustainable condition of the product (major noncompliance) or not (minor noncompliance).

4.4 Observations: Evidence of a breach to sustainable production principles (Internal Standard for Sustainable Production) that may or may not affect the integrity of the sustainable product.

4.5 Productive unit: Farm or plots destined to Sustainable Production.

5. RESPONSIBILITIES.

5.1 The IQMS coordinator decides on inspector allocation, prepares the list of producers for inspection and orders the internal inspection to the internal inspectors. He/She shall be responsible for supervising the correct application of this procedure.

5.2 The internal inspectors are responsible for the execution of this procedure and the submittal of the internal inspection sheet to the approving committee.

6. DESCRIPTION

6.1 Internal Inspection Order

The IQMS coordinator orders the inspection to the internal inspectors such that, within a period no longer than three weeks prior to the external audit, the approving committee can make its decision on which productive units are to appear at the certifying institution for their certification.

In addition, the IQMS coordinator shall order an inspection in case of suspicion of violations of the Internal Standard for Sustainable Production on the part of producers and when the producer's approval was conditioned to the resolution of noncompliances or observations.

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For this purpose, he/she prepares a list of producers to be inspected and submits it along with their associated Internal Inspection Sheets, Handling Plans and Basic Information Sheets of to the designated inspector.

The internal inspectors subscribe the “Statement of Confidentiality and Conflicts of interest” (REG - 03) prior to performing internal inspection visits. In the event that the statement is false, the inspector shall be subject to the penalties that the organization deems pertinent. In the event that an inspector has declared a potential conflict of interests with any of the producers, he/she shall not perform the inspection of such producers.

The IQMS coordinator may assign inspection works only to inspectors who do not hold conflicts of interest with respect to the producer to be inspected and have signed the Statement of confidentiality.

6.2 Internal inspection Preparation

The inspector shall review the Internal Inspection Sheet of the previous year, the Handling Plan and the previous Basic Information Sheet prior to carrying out the inspection visit. He shall assess, particularly, the findings of the last inspection that can sustain noncompliance and the Basic Information Sheet with risks resulting from the geographic location, vicinities, production system or production management of the (as per Addendum 1).

The internal inspector coordinates, through existing means in the area, the execution of the internal inspection with the producer and the personnel designated by the organization for his support.

6.3 Execution of the Internal Inspection

6.3.1 Commencement of the inspection

Upon arrival at the productive unit, the internal inspector explains to the person in charge of the productive unit the objective and scope of the internal inspection. He explains that he only documents the findings of the visit and is not the person in charge of decidig on approval or disapproval.

The internal inspector decides the order in which he/she intends to perform the inspection (documentation, operating facilities). The internal inspection shall be carried out throughout the entire productive unit.

6.3.2 Critical Points in Sustainable Production

Additional to a complete visit to the productive unit, the inspector particularly focuses on the risk of the agricultural production and primary processing in compliance with Addendum 1.

Once the internal inspection visit, the internal inspector documents the findings. For this, he/she shall value the supporting evidence. The internal inspector shall document such evidence in the form of a photo, physical document (borrow the corresponding document or take photo of it) or through notes in the Internal Inspection Sheet (REG-04). Further details for filling out the Internal Inspection Sheet may be found in Addendum 2. The internal inspector shall fill out the sheet in its entirety.

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6.3.3 Agreement on findings

Prior to signing, the internal inspector shall explain the findings to be included in the Internal Inspection Sheet to the producer. The producer is given an opportunity to make his/her defense. In the end, it is the inspector who writes up the final findings.

With the producer's signature on the Internal Inspection Sheet, the inspector obtains a document whose content is validated by the producer. The producer receives a copy of the summary of the findings from the Internal Inspection Sheet.

In the event that the producer does not agree with the reported findings, he/she may prepare a document and demand that it be included in the Internal Inspection Sheet. Reference of the existence of this additional document is then made in the sheet.

If the producer refuses to sign the Internal Inspection Sheet, the inspector documents this fact and leaves the premises.

6.3.4 Results of the inspection

The Internal Inspection Sheet and the evidence (photos, records), along with related documents (Basic Information Sheet, Handling Plan and previous Internal Inspection Sheet) are submitted through the IQMS coordinator to the approving committee. Following their evaluation, these documents remain in possession of the IQMS coordinator.

7 RECORDS

- REG - 03: Statement of Confidentiality and Conflicts of Interest
- REG - 04: Internal Inspection Sheet

8 ADDENDA

- Addendum 1: Risk Assessment
- Addendum 2: Fill-out Instructive for Internal Inspection Sheet
- Addendum 3: Internal Inspection Flow Chart

9 REVISION CONTROL

Where paragraph reads	It should read

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REG - 03: Statement of confidentiality and conflicts of interest

I, the undersigned,, national identity document N°

- In charge of internal inspections
- Member of the approving committee

hereby certify:

that, during and following my participation in the producers' authorization process, I will maintain confidentiality regarding the information collected in the producers' inspection or approval [as well as] any information described as intellectual or confidential farm provided by the applicant of the approval or obtained from other sources.

In addition, I declare that I shall:

1. To comply with the stipulations established in the corresponding procedures with appropriate ethical conduct while performing my assigned tasks.
2. Be impartial and not allow pressure of any nature to affect my technical judgment.
3. Report immediately to the IQMS coordinator any situation that may jeopardize objectivity with respect to the tasks I shall execute within the sustainable production program.
4. Refrain from inspecting or evaluating productive units, farm of relatives or close friends or producers who have previously received technical assistance from me, in the approving process.

.....
Place and Date

.....
Signature

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REG - 04: Internal Inspection Sheet

V. General data. -							
Producer:		Code or DNI #:		Status:			
Organization:		Sector:		Village:			
District:		Province:		Region:			
Internal inspector		Date of Inspection		UTM Coordinates (house/office):			
VI. Standards to meet. -							
NOP		EEC # 834/07 889/08		JAS Notific. #1605		Peru DS # 044/2006 Ag	Internal regulations
FLO		UTZ		RAS		C.A.F.E. Practices	Internal Standard

VII. Plot Data. -														
Name of the Plot(s)	UTM Coordinates	Surface (ha)									Production (qq)			
		Coffee		Cacao		Pasture	Purma	Forest	Other	Total	Coffee		Cacao	
		Prod.	Grow	Prod.	Grow						Avg. '08, '09 and 2010	Est. 2011	Avg. '08, '09 and 2010	Est. 2011
All														

VIII. Standard Compliance Verification. -					
Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
DOCUMENTED MANAGEMENT SYSTEM					
51.Are you familiar with internal regulations?	FLO				
52.Are you in possession of a copy of the commitment to comply with internal regulations and standards, observing their objectives and social-environmental policy?	FLO				
53.Have you received training from the Internal Management System? Which did you attend?	FLO				
54.Have you prepared a sketch map identifying cultivation plots, adjacent nurseries, erosion buffering, protection and risk areas, bodies of water, areas for human use and areas of risk to people's health?	UTZ RAS FLO				
55.Do you have an annual production plan and is your record book or log of implemented programs up to date?	ALL				
56.Do you record the application of fertilizers and crop-protection products?	ORG UTZ				
57.Do you record salaries and recognize worked	CP				

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overtime?	UTZ FLO				
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Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
58. Is production and processing energy consumption recorded and reduced?	UTZ				
59. Are land irrigation water volume and its usage efficiency recorded?					
60. Is the volume of water used in wet milling recorded and reduced?					
61. Is the certified coffee harvested sorted and identified according to origin, and is there documentation to support delivery or sale?	ALL				
62. Have you enabled new cultivation areas, has your IMS evaluated the risks and consequences on people's safety and the environment?	UTZ RAS				
63. Do you know whether our SIG evaluates the transport service providers and/or contractors' compliance with social-environmental, sanitation and health requirements?	UTZ FLO				
64. Do you have a list of wild plants and animals in your farm?					

SOCIAL WELFARE AND LABOR

65. Is good housekeeping evident in the farm, warehouses, sleeping and living quarters as a whole?	UTZ FLO				
66. Is there access to nearby washrooms or latrines in clean and worthy conditions?	UTZ FLO				
67. Is there access to drinking water? Is it boiled or purified?	UTZ FLO				
68. Are measures taken to perform safe work, indicating risk areas and using personal protective equipment?	UTZ RAS				
69. Is there access to health and education services?	UTZ FLO				
70. Are measures taken such that working does not jeopardize the development, health and education of minors; and are hired workers above 15 years of age?	CP UTZ RAS FLO				
71. Are all workers paid a salary equal to or greater than the standard minimum wage in the region? Are payments for men and women different for a given task?	CP UTZ RAS FLO				
72. Does producer refrain from discriminating, and endorsing forced labor, without rest and without physical punishment, as well as sexual harassment and verbal abuse?	CP UTZ RAS FLO				
73. Do you have protective equipment in good condition for the application of fertilizer and crop-protection products? Which?	CP UTZ RAS FLO				

Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
74. Is there access to first-aid kits, suitable for	UTZ FLO				

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responding to the identified risks?					
CONSERVATION OF ECOSYSTEMS, WATER, SOILS AND WILD LIFE					
75. Do you plant various local shade-tree species in the area?	UTZ				
76. Do you forbid hunting wild animals and harvesting wild plants, and know the endangered species in your area?	RAS				
77. Do you refrain from catching or keeping wild animals in captivity?					
78. Are new crop areas located outside Protected Natural Areas (ANP in Spanish)?	UTZ RAS FLO				
79. Do you safeguard the integrity of the natural water streams and/or bodies in the forests and other ecosystems; without filling or draining moist soils? Is your crop more than 10 meters away from permanent natural water streams?	RAS				
80. Have you refrained from converting natural forest to agricultural production; and from destroying and/or burning forests or micro headwaters as of March, 2004?	ALL				
81. Are new production areas located in suitable weather, soil and slope conditions?	UTZ RAS FLO				
82. Are soil conservation and structure practices implemented? (green covers and fertilizer, mulches, organic matter, etc.)	ORG UTZ FLO				
83. Do you have a soil fertilization program based on soil analyses performed every three years?	FLO				
84. Is there contamination risk prevention applied to bodies of water, roadways and crop areas, establishing buffer zones, with reforestation and/or natural regeneration?	ORG UTZ				
85. Do you indicate plots, buffer zones and conservation areas with signs?					
86. Are all waste water from living facilities and the wet-milling plant handled according to their source and polluting load content; and is irrigation not performed using waste water?	ORG UTZ				
87. Do you prevent natural water bodies from becoming contaminated with liquid or solid wastes?	ORG UTZ RAS				
88. Do you ensure that no leaks exist in pipes and/or distribution networks?					

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Item to verify	COMPLIANCE				Observations
	Essential for	N/A	YES	NO	
INTEGRATED HANDLING OF CROPS AND WASTE MATERIAL					
89. Are the seeds used in your crop healthy and free of unauthorized chemical agents, and come from the organic production of varieties adapted to the area?	ALL				
90. Are you using authorized fertilizers and/or organic crop protection agents in your farm? Which ones? In what ratio? Who advised you? Do you have the technical specifications of the product applied?	ALL				
91. Do you follow good preservation practices to avoid pests, diseases and weeds? Which ones? Do you avoid burn agriculture?	UTZ				
92. Do you leverage as much as possible on the organic materials found in your farm for fertilizing?	ORG				
93. Does manure become fertilizer in 15 days with a minimum of 5 turns or is it applied 90 days prior to harvest?	NOP				
94. Are fertilizers, crop-protection products, and their residues separately stored in isolated, dry, ventilated, clean and marked locations, laid out to prevent contamination of water bodies?	ORG UTZ				
95. Are the milling facilities kept clean and in proper condition?	ORG CP UTZ				
96. Are harvest weight and/or volume measuring equipment calibrated?	UTZ				
97. Is the coffee fermentation process carried out in suitable and clean containers?	ORG CP				
98. Are the coffee drying facilities and packing material free of any source of pollution?	ORG CP UTZ				
99. Is there access to a roofed area suited for coffee storage on decks, in ventilated areas with adequate clearance from the walls?	ORG UTZ				
100. Are the residues derived from the milling operation safely and adequately handled and/or treated?	ORG UTZ				

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Summary of Findings:

Requirement #	Findings

By signing this document, we confirm that the findings documented in this Inspection Sheet are legitimately true.

Signature of Producer

Company/signature of the Internal inspector

----- to be filled out by the Approving Committee -----

- Exclusion from the program
- Suspension of the sale of sustainable organic products: status drops to
- Suspension of the sale of sustainable products until noncompliance is assessed:
.....
- Noncompliance and observations shall be assessed until the following internal inspection
- Approved without conditions

Summary of remedial actions

Requirement #	Remedial Action Required	Deadline

On behalf of the Approving Committee:

.....
Place and date Signature of Approving Committee representative

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Addendum 1: Risk Assessment

The internal inspectors shall carry out a risk assessment for each productive unit to be inspected to assure the effectiveness of the control.

In preparation

In preparation for the internal inspection, the risk analysis is performed on the basis of previous reports, compiled in the Internal Inspection Sheet of the previous year, and of the data found in the Basic Information Sheet. On the basis of outstanding items (noncompliance, observations, contradictions in documents), the internal inspector generates a number of questions that shall be answered during the visit.

The following items shall be assessed during the preparation:

Geographic location	Can incoming water to the productive unit be contaminated?
	Can there be soil erosion (by water or wind)?
	Is there availability of agro-chemical products in the area?
	Is there availability of adult labor during harvest campaign in the area?
Vicinity	Can it have a polluting effect from mining operations?
	Can it have a polluting effect from industrial operations?
	Can it have a polluting effect from conventional crops?
Background	Had unauthorized products previously been found in storage?
	Had unauthorized products been previously used?
	Have there been mixtures of different quality product?
	Had relevant documentation not been available in previous inspections?
Productive System	Have poor hygiene conditions been documented in the farm?
	Does the producer also handle conventional crops? Is the documented productivity too high?

During the visit

During the visit, the internal inspector shall focus on the following items and evaluate if the information regarding the following questions jeopardizes compliance with the Internal Standard for Sustainable Production.

Management	Do relatives of the producer have the conventional quality crop in the same area?
	Does the producer have plots in other areas that are not seen in this inspection visit?
	Is there evidence of child labor?
	Is there evidence of worker discrimination (by sex, race,...)?
	Is there an absence of typical flora and fauna in the productive unit?
	Is the machinery to be used in the productive unit safe? Is there availability of protective equipment?
	Are there productive units registered with other operators (other organizations)?
	Is the management of the productive unit very complex?

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Addendum 2: Fill-out Instructive for Internal Inspection Sheet

Detail each plot of the producer and group them as a single farm if they are located within a same sector.

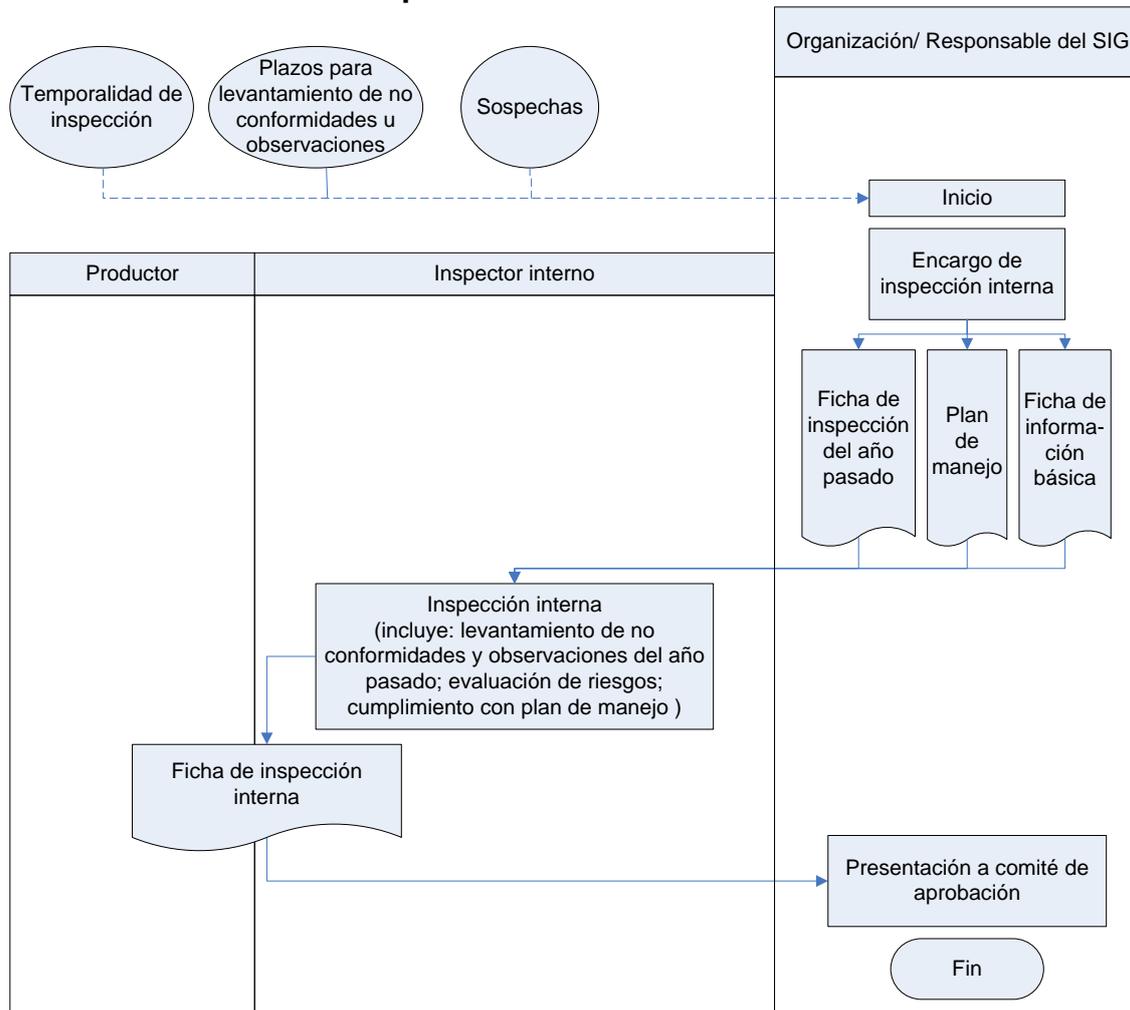
The average production amount of the previous years is detailed, and an estimate of the current year is made.

To verify compliance with the Standards:

- ✓ Compliance box "Essential for" indicates that that farm cannot be certified under the indicated standard if this criterion is not met.
- ✓ The box "N/A", indicates that this farm is not evaluated for the nonexistence of the action or condition in question.
- ✓ The first box contains a question to be answered affirmatively **if the requirement is met** (by marking an X in the "YES" box).
- ✓ A question shall be answered negatively **if the requirement is not met** (by marking an X in the "NO" box).
- ✓ the "Observations" box is filled in with the detail of the violation of the internal standard, when "NO" is checked for that item.
For example: If item #5, "Do you have an annual production plan and is your record book or log of implemented programs up to date?", has a "NO" for an answer, it shall be specified which of the programs specified in the internal standard is not being recorded, and proper support shall be attached.

Both the producer and the internal inspector shall in agreement with the findings documented in the Internal Inspection Sheet.

Addendum 3: Internal Inspection Flow Chart



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	Prepared by:	Reviewed by:	Approved by:
Signature Date			

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3. REFERENCES
4. DEFINITIONS
5. RESPONSIBILITIES
6. DESCRIPTION
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1. OBJECTIVE

To standardize the presentation, analysis, resolution and communication of appeals against the decisions of the approving committee.

2. SCOPE

Applicable to all the producers of an organization that are in disagreement with the approving committee's decisions.

3. REFERENCES.

3,1 Internal Standard for Sustainable Production

4. DEFINITIONS

4,1 Record: Document that presents results obtained or provides evidence of activities carried out.

4,2 Findings: Results of the evaluation of evidence derived from an internal inspection. A finding may be in line with the standard, or an observation, or represent a noncompliance.

4.3 Noncompliance: A breach described in the Internal Standard for Sustainable Production that may affect the sustainable condition of the product (major noncompliance) or not (minor noncompliance).

4,4 Observations: Evidence of a breach to sustainable production principles (Internal Standard for Sustainable Production) that may or may not affect the integrity of the sustainable product.

4,5 Productive unit: Farm or plots destined to Sustainable Production.

5. RESPONSIBILITIES.

5.1 The approving committee, comprised by its usual members and the IQMS coordinator, makes the final decision on the appeal consigned by a producer.

5.2 The IQMS coordinator receives the appeals, summons the committee, orders - if needed - a point visit to collect evidence, prepares the minutes of the meeting and the final reply to the producer. He/she is the person in charge of supervising the proper application of this procedure.

6. DESCRIPTION

6,1 Producer's Initiative

In the event that a producer is in disagreement with the approving committee's decision regarding his/her productive unit, he/she is entitled to appealing the decision within 5 following receipt of the notification from the IQMS coordinator. For this purpose, he/she shall fill out the Appeals Form (REG-05) and attaches declarations and evidence (records) to support revoking the decision made and submits these documents to the IQMS coordinator.

6,2 Required information

The IQMS coordinator receives appeal documents and verifies if the existing information allows the members of the approving committee to make a decision. In

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exceptional cases and when he/she considers it pertinent, he/she may delegate a visit to an internal inspector of the organization (it is advisable that he/she be a different inspector than that who performed the internal inspection) to collect specific information. The representative specifies, in writing, the information required. Following the visit, the inspector prepares and presents an isolated report in response to the doubts raised by the IQMS coordinator.

6,3 Final decision

The IQMS coordinator presents the entire appeal (producer documents, and isolated report, if applicable) to the approving committee, which shall meet prior to the external audit. In this meeting, all appeals are evaluated and final decisions are made on each case that is no longer appealable.

6,4 Documentation

The IQMS coordinator prepares a record of the meeting, reflecting the discussion of each case and the final decision. Such record is signed by each member of the approving committee and shall be submitted to the certifying institution, basing the decisions for the possible inclusion of producers in the Approved Producers list.

The IQMS coordinator notifies the producer regarding the decision reached and, if required, modifies the list of approved and penalized producers.

7 RECORDS

REG - 05: Approving Committee Decision Appeal Form

8 ANNEXES

Annex 1: Appeals Flow Chart

9 REVISION CONTROL

Where paragraph reads	It should read

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REG-05: Approving Committee Decision Appeal Form

Appeal

The undersigned, _____, identified with DNI # _____, owner of the farm _____, located in the _____ sector, of the _____ district, province of _____, region _____, appeal the decision of the Approving committee.

Date of internal inspection:

Internal inspector:

#	Noncompliance or Observation	Finding	Evidence	Penalization
1				
2				
3				

Disclaimers

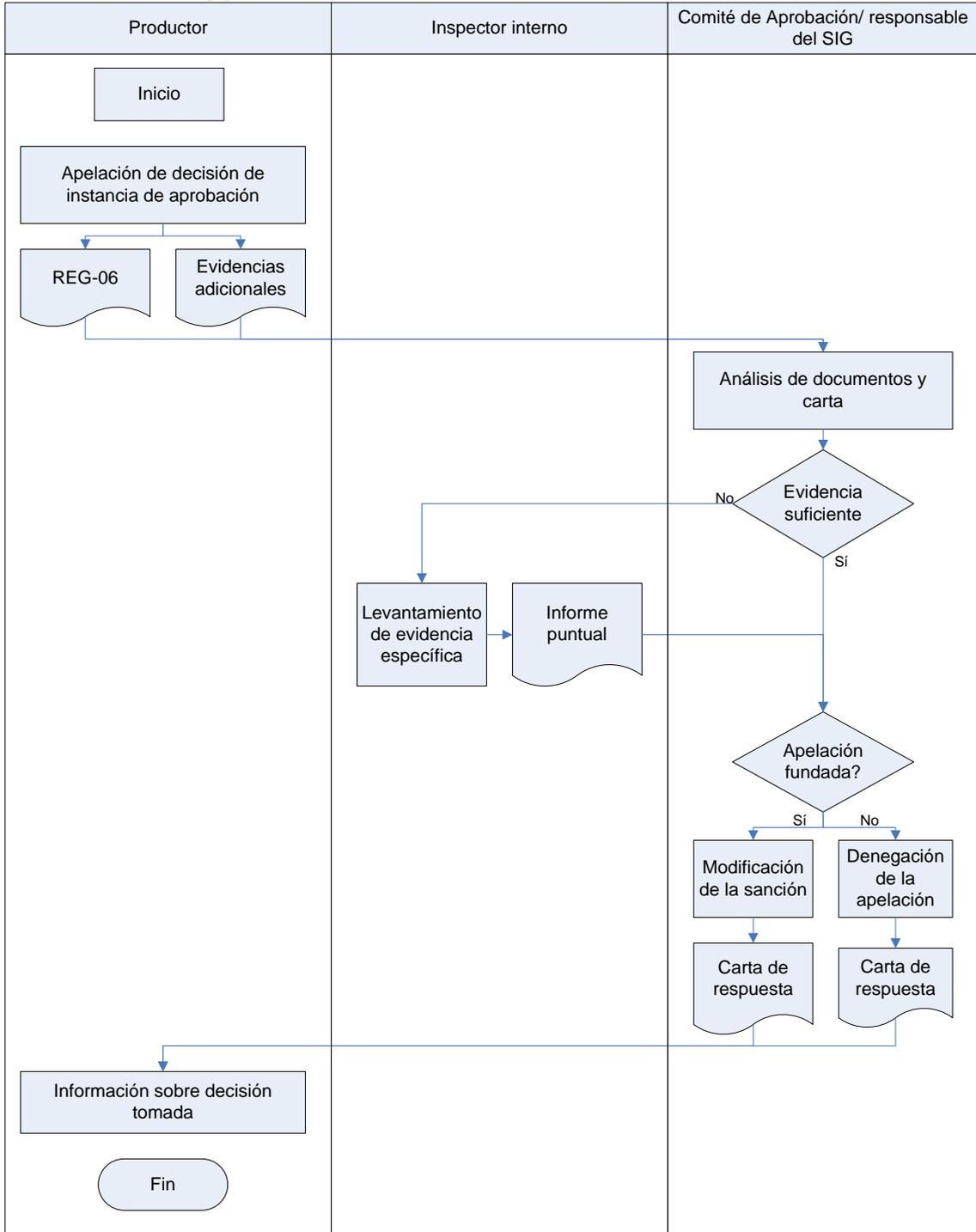
#	Interpretation of the evidence reported in the Internal Inspection Sheet	Additional evidence (attach to form)
1		
2		
3		

I request that the Approving committee:

.....
.....
.....

.....
Producer's signature

Addendum 1: Appeals Flow Chart



Addendum 1: Acronyms and glossary

1. Acronyms

IFOAM	International Federation of Organic Agriculture Movements
ISEAL	International Social and Environmental Accreditation and Labeling Alliance
RA	Rainforest Alliance
RAS	Spanish acronym for Sustainable Agriculture Network
FLO	Fair Labeling Organization
C.A.F.E. PRACTICES	Coffee and Farmer Equity Practices
SCAN	Sustainable Commodity Assistance Network
IQMS	Internal Management System
T1, T2, T3,	First, second and third transition years in the conversion of a conventional productive unit to an organic productive unit.

2. Glossary

Agro-Chemical Product: Synthetic chemical substance used in agricultural production systems, such as fertilizers, weed killers, insecticides, fungicides, nematicides, rodenticides, or as growth promoters.

Internal Approval: Process executed to authorize producers of the organization whose productive units are considered for external certification.

External Auditor: A person appointed by a certifying authority to perform external audits.

Audit: A systematic, independent and documented process to obtain evidence and evaluate them objectively to determine the extent of requirement compliance.

Note: The term “audit” in this document refers to the external audit carried out by an auditor on behalf of a certifying authority. “Inspection” refers to the internal inspection to members of the producer group carried out by an internal inspector.

External Audit: Procedure followed to verify compliance with certification standards (production, processing, and marketing).

Chain of Custody: All stages of the production chain between primary production and final consumption (including cultivation, handling, processing and marketing).

Collective Certification: Certification of an organized group of producers who share similar production systems, whereby certification is applied to the entire group.

Conflict of Interests: A situation that allows favoring, or not, a certain decision.

A situation where the objective capacity of an individual or group is jeopardized by financial or personal interests incompatible with his/her/their interest in a fair and impartial inspection or certification.

Competence: A demonstrated ability to apply knowledge and skills.

Contract: A binding agreement.

Certifying Institution: An organization that decides on the certification on the basis of audit results.

Risk Assessment: The quantification of risks related to critical aspects of agricultural operations, including external risks. Risk assessments include the identification, analysis and evaluation of risks in the different stages under the responsibility of a group, ranging from production by members of a group, to processing and transportation.

Findings: Situations (positive or negative) revealed, associated to the compliance of a certification standard, on the basis of evidence.

Results of the evaluation of evidence derived from an internal inspection. A finding may be in line with the standard, or an observation, or represent a noncompliance

Internal inspector: A person assigned to carry out the internal inspection of the members of a group.

Noncompliance: A violation of certification standard requirements.

It refers to a violation described in the Internal Standard for Sustainable Production that may affect the sustainable condition of the product (major noncompliance) or not (minor noncompliance).

Operator: A natural or legal person who applies for certification in compliance with sustainable standards.

Organic: An agricultural system integrated and based on ecological principles, whose objective is to restore and maintain long-term soil fertility by optimizing the conditions for biological soil activity, as opposed to the application of agro-chemical products.

Smallholder: Producer that does not rely on full-time hired labor, and who takes charge of his/her agricultural production by his/her own effort and with the assistance of relatives.

Sustainable Production Program: The area of the organization dedicated to enabling smallholders to access demanding markets by means of a certification compliant with sustainable standards

Procedure: Steps in the execution of specific actions taken to achieve compliance with the standards.

Specified manner in which an action or process shall be executed.

Registry: A document and/or piece of evidence containing information that assures compliance with standards, from the inspection sheet to marketing.

A document that presents results obtained or provides evidence of activities performed.

Requirement: An established need or expectation, generally implied or compulsory.

Penalization: A measure adopted against operators who have not met a set standard or other requirement. A group may adopt internal penalizations against its members, whereas external penalizations may be adopted by a certifying institution against the entire group.

Internal Management System (IQMS): A series of documented procedures and processes that a sustainable production program puts in practice to assure compliance with the established requirements. The existence of an internal management system allows the certifying institution to delegate the authorization of each of the members of the sustainable production program in a structure within the organization.

Note: A management system often serves as a group's internal control system. The term "internal management system" is used throughout the document, and shall be considered equivalent to "internal control system".

Transition: A period of conversion from a traditional or conventional methodology to one of organic production.

Time elapsed from the last application of unauthorized products, and application of Organic Production principles, until obtaining the organic certification.

Productive Unit: Farm or plots destined to Sustainable Production.

Addendum 2: Internal Regulations for Sustainable Group Certification

Object of the Internal Regulations

This Internal Regulation proposal shall provide support to producers' organizations in indicating their political willingness to work with sustainable standards. This is highest-ranking document that regulates, at an institutional level, how an associate of the organization can become part of the sustainable program, how he/she loses program-member status, and defines the infractions and their corresponding penalizations, as well as the minimum institutional structure required to assure the program's effectiveness.

These regulations may be integrated as an organization's own regulations, or their components may be part of the constitution. Its approval would have to be granted through an associate assembly. Without the stipulated elements, a binding relation between the organization's social objective and the obligation to meet sustainable standards might be required.

Preliminary Chapter

Whereas:

- ✓ To access distinguished sustainable markets, properties shall possess external certification.
- ✓ The cost of individual certification is unaffordable for coffee and/or cocoa smallholders,
- ✓ Internal quality management systems enable smallholder groups to access sustainable certification.
- ✓ The smallholder group requires to establish transparent and reliable mechanisms and structures to implement group certification under sustainable standards;

It becomes necessary to establish this strict-compliance internal regulation.

SCOPE:

These regulations area applicable to producers interested in applying for collective certification in compliance with sustainable standards.

OBJECTIVES:

- ✓ To establish the rights and the duties of the members of smallholder organization: "_____ " for their participation in the sustainable production program;
- ✓ To describe the structure and operation of their IQMS for organic and sustainable group certification.

Chapter 1: Of the Members

Art. 1. - Sustainable Production Program Membership

Coffee and/or cocoa producers sharing the same handling plan and located in _____ (specific area) may register in the sustainable production program to achieve collective certification. Producers with a considerably different production system (in terms of magnitude, nature or location) may take part in the program and in the internal management system (IMS), but they will be audited separately by the external auditor.

Only through membership in the sustainable production program, producer approval by the approving institution and external certification of their IMS, will producers be entitled to denominating their product as compliant with sustainable standards and to using the corresponding certification seal.

Art. 2. - Joining the Sustainable Production Program

The associated smallholder may apply for his/her incorporation to the sustainable program by submitting the Basic Information Sheet to the IQMS coordinator. In addition, the producer shall sign a contract with the sustainable production program, agreeing to comply with the internal regulations and the Internal Standard for Sustainable Production.

New smallholders who wish to join the sustainable production program shall have been subject to a minimum of two annual internal inspections prior to being incorporated to the list of producers approved for external certification.

Art. 3. - Members' Rights

All members of the sustainable production program are entitled to:

- Requesting information on their approval status from the IMS representative.
- Receiving one or more counseling visits organized by the extension service and to participating in a training program scheduled during the first stages of the harvest campaign.
- Receiving, in writing, the results of the annual internal inspection of their productive units, the certification of the approving committee's decision and the remedial actions.
- Being incorporated to the list of producers approved for external certification, upon compliance with the technical considerations.
- Incorporating their products to the organization's output for marketing upon inclusion in the list of approved producers.
- Terminating their membership by means of a resignation letter when deemed pertinent.
- Submitting an appeal in writing to the approving committee when in disagreement with their decision.
- Requesting re-registration in the program if they have lost their member status.

Art. 4. - Members' Duties

All members of the sustainable production program have shall:

- Be subject to a minimum of one evaluation per year by the internal inspector in compliance with the internal regulations.
- Meet the requirements of the Internal Standard for Sustainable Production
- Participate in the training activities scheduled by the IMS.
- Allow internal inspectors and external auditors of the certifying institution, as well as personnel of the Competent Authority, unrestricted access to all areas of the productive unit, including plantations, processing, drying, storage, and housing facilities, and all required documentation.
- Implement remedial action plans in response to notifications from the approving committee.
- Assume the penalties, when in violation of standards or administrative dispositions.

Art. 5. - Violations and Penalties

Violations of sustainable production program members against the technical provisions of the Internal Standard for Sustainable Production or the administrative provisions of the Internal Regulations may be classified as very serious, serious or minor.

The approving committee assesses the seriousness of the violation, considering its intentional or recurrent nature, and decides on the penalty to be applied.

Violation	Reason	Type of Penalty
Very serious	<ul style="list-style-type: none"> Violations against product quality integrity[‡] without due notification to the internal inspector or IMS representative Document and record counterfeiting Internal Regulation violations the disable effective monitoring of productive units with repeated violations 	Permanent exclusion
Serious	<ul style="list-style-type: none"> Violations against product quality integrity with due notification to the internal inspector or IMS representative Internal Regulation violations, in terms of being able to assure effective control of the productive units Noncompliance in the implementation of corrective measures against repeated violations 	Suspension of sale as sustainable product; regression in (organic) transition process,
Minor	<ul style="list-style-type: none"> Noncompliance in the implementation of corrective measures Noncompliance to agrarian and social dispositions (important criteria). 	Temporary suspension of sale (until the implementation of corrective measures)
	<ul style="list-style-type: none"> Minor violations 	Breach assessment notification until following inspection

The approving committee reaches a decision in accordance with the penalty chart. It also resolves cases not provided for in these regulations.

Penalized producers are entitled to appeal, within fifteen (15) working days following receipt of the notification, before the approving committee by means of a written appeal, enclosing all evidentiary documents for their disclaimers. The producers shall keep a copy stamped as received with the date and signature of the IMS for follow-up purposes. Appeals are solved by the approving committee without entitlement to other resources.

Art. 6. - Member Exclusion

A producer may be excluded from the sustainable production program for the following reasons:

- Voluntary - when the producer requests exclusion by means of a resignation letter.
- Involuntary - when the violation so warrants, as per penalization table or when she dictated by the approving committee in cases not addressed herein.

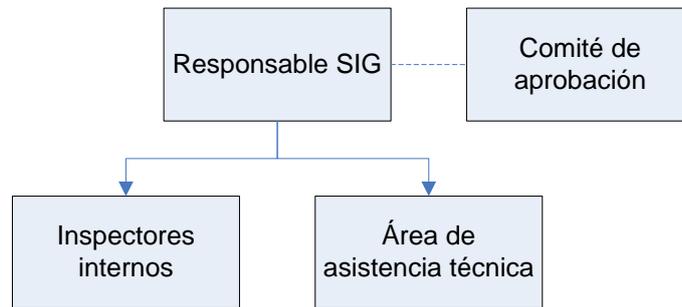
In the case of Fair Labeling Organization (FLO) certification, only members who meet the technical stipulations of the Internal Standard for Sustainable Production shall have access to the corresponding benefits.

[‡] A violation against product quality integrity implies that such product no longer possesses the quality to which the corresponding certification seal refers; i.e., the use of supplies unauthorized for organic production, the combination of products with sustainable standards with conventional products, employing children labor to achieve production, etc.

Chapter 2: About the IMS

Art. 7. - Structure

A reliable IMS is made up of three separate areas under the direction of the IMS Representative as shown below:



Graph: Organizational Chart of the IMS in an organization with sustainable production program

Art. 8. – IQMS Coordinator

The IQMS coordinator is the liaison between inspectors, authorizing body, technical assistance area and the certifying institution(s). As such, he/she is responsible for the organization's sustainable production program. His/her major functions are to:

- assure the competence and objectivity of the personnel in charge internal inspections and of the approving committee, as well as a basic knowledge of the Internal Standard on the part of the producers.
- supervise the proper execution of the procedures associated to the sustainable production program.
- coordinate auditing visits and the resolution of noncompliances and observations (improvement plan) with the certifying institution(s).
- maintain custody of all current documents and IQMS records.
- prepare the list of producers for certification by certifying the institution(s) and the list of penalized producers.
- submit an annual report to the certifying the institution(s), on deficiencies in the organization's IQMS and on any modifications in the structure, procedures and IQMS personnel.

Art. 9. - Internal Inspector

The internal inspector is familiar with internal regulations and documents noncompliance-supporting evidence or observation during a visit to the smallholder's productive unit. His/her assigned functions are to:

- follow the internal inspection procedure.
- state potential conflicts of interest such that the inspector's work is done as objectively as possible.

Art. 10. - Approving committee

The approving committee may be an individual or a group of people (committee) who approves the producers according to the Internal Standards on the basis of the internal inspection report. Its functions are to:

- follow the approving procedure.
- follow up remedial and preventive measures as well as penalties imposed.
- decide over appeals.

Art. 11. - Technical Assistance Area

The technical assistance area, comprised by promoters, trainers and advisors, shall assure that the producing members of the sustainable production program are familiarized with the Internal Standards. Its functions are to:

- deliver periodic training to producers, on regulations, principles, standards, guidelines, technical handling and IMS requirements.
- process the crop handling plans in collaboration with producers.
- ensure that producers properly fill out the records.

Addendum 3: Internal Standard for Sustainable Production

1.1. Introduction

To develop a common Standard for multiple certification of small groups of coffee and/or cocoa smallholders, a comparative study was undertaken focusing on the certification standards most applied by organized Peruvian producers; these are:

NOP - National Organic Program (Jan 2, 2009); The EU - European Regulations 834/2007 and 889/2008; JAS - Japan Agricultural Standard - Notification 1605 (27/10/2005); Peru's Technical Regulations for Organic Products (DS 044-2006-Ag); Generic Fairtrade Criteria for Organizations of Smallholders (01/01/2009); Rainforest Alliance Standard for Sustainable Agriculture (July, 2010); UTZ Certified Code of Conduct (January, 2010); C.A.F.E. Practices Evaluation Guidelines STARBUCKS V2.0 (Jan 1, 2007).

This Internal Standard is a combination of the common provisions of the above standards, as applicable to Peru's social-environmental reality, as well as of each of their essential requirements, aiming to ensure the integrity of the organic and sustainable product.

1.2. General Objective and Policy

To operate a properly documented management system, with social welfare and work safety, concern with soil, ecosystem and resource preservation, integrated crop and waste by-products handling; using permitted organic materials and/or inputs that do not contribute to contamination on the people, the crops and the environment.

1.3. Special Objectives

- ✓ Save valuable resources through training and the implementation of the standards, and
- ✓ Make access possible for a greater number of smallholders to distinguished and fair-trade, organic, sustainable markets.

1.4. Internal Standard Structure

The sections are as follows:

- ✓ Documented Management System
- ✓ Social Welfare and Environmental Safety
- ✓ Soil, Ecosystem, and Resource Conservation
- ✓ Integrated Handling of Crops and Waste By-products

And their corresponding Addendum with two compulsory checklists:

- ✓ Products Allowed for Fertilization of Organic Crops
- ✓ Crop-protection Supplies Allowed for Organic and/or Sustainable Crops

1.5. Scope of Internal Standard

This Internal Standard is focused on the continuous improvement of the quality of life and economy of families who farm Coffee and/or Cocoa in Peruvian territory, and on the environmental conservation of all their plots. The requirements of the Internal Standard shall be met at all of the smallholder's farm and plots, where the possibility of having a parallel certified and conventional production is not permitted.

1.6. Internal Standard Requirements

DOCUMENTED MANAGEMENT SYSTEM

1. Be familiar with the regulations its regulation and Internal Standard.
2. Have a copy of your commitment to comply with the internal standard and regulations, and enforce your social-environmental policy.
3. Attend training delivered by the Internal Management System.

4. Prepare a chart identifying plots dedicated to crops, nurseries, adjacent areas, buffer, protection and erosion-risk areas, water bodies, areas of human activity and health-risk areas.
5. Have an annual production plan in operation and update your smallholder logbook with your IMS records, that is:
 - Natural Resource Preservation Program. Include Reforestation of areas not suitable agriculture,
 - Efficient Water-Usage Program for wet milling,
 - Health & Work-Safety Program, with policy and action plan based on assessment of health and job safety risks,
 - Integrated Crop Handling Program,
 - Soil or Crop Fertilization Program, based on soil features and properties (sampling and periodic analysis),
 - Integrated Waste-Handling Program, based on the "reduce, reuse and recycle" principle.
 - Follow-up & Continuous Improvement Program for the farm's IMS, with remedial actions based on findings derived from internal and external audits.
 - Training program, for the personnel working the field, on the proper implementation of programs within the annual production plan.
6. Record the application of fertilizers and crop-protection agents.
7. Record the worker's salaries and overtime.
8. Measure and record power consumption from production and processing activities, checking the tendency to reduce consumption.
9. Measure and record the volume and usage efficiency of irrigation water.
10. Measure and record the volume of water used in wet milling, checking the tendency to reduce volume.
11. Sort and identify the coffee harvested according to its origin, and conserve the documentation to sustain its delivery or sale.
12. When new cultivation areas are incorporated, request from IMS a previous assessment of the effect on the safety of people and the environment in order for you to implement your mitigation plan of such effects.
13. Learn whether your service providers, such as transportation, or hired labor, have been approved by their IMS in terms of social-environmental, sanitation and health requirements.
14. Record in your log a list of wild plants and animals existing in your farm.

SOCIAL AND LABOR WELFARE

15. Maintain good housekeeping in the farm, warehouses, dormitories and living quarters in general. Both the producer and the permanent and temporary workers who stay in the farm shall have healthy sleeping facilities, with suitable ventilation and that safeguard the privacy of their occupants.
16. Maintain the bathing or latrine facilities in clean and worthy condition; and have sinks near dining rooms and bathing facilities.
17. Drinking water shall be made available. In the case of spring water for which no purity analysis has been performed, it shall be required to boil or purify it.
18. Perform the work in a safe manner, signaling out risk areas, issuing accident and emergency handling procedures in the milling area of every farm, and making use of personal protective equipment to safeguard physical integrity.
19. Have access to health and educational services.
20. Working shall not jeopardize the development, health and education of minors. Children under 15 years of age shall not be hired.
21. The salary paid shall be equal to or greater than the minimum established in the region. There shall be no difference between men and women's salaries for the same task performed. Permanent workers have work contracts with information on their work conditions.

22. The producer shall not discriminate, or support any type of forced labor, or tolerate physical punishment, as well as sexual harassment and verbal abuse. Working hours are from 08:00 with a rest period of a minimum of a minimum of half an hour following a maximum of 5 hour's continuous work. Any overtime worked shall be voluntary and by previous agreement with the workers.
23. For the application of fertilizers and crop-protection products, as well as personal protective equipment shall be used.
24. Implement first-aid kits suited identified risks.

ECOSYSTEM, WATER, SOIL AND WILD-LIFE PRESERVATION

25. Install diverse species of natural shafts of shade of the zone; whenever they are compatible with the coffee crop.
26. Prohibit the hunting and harvesting of wild animals and plants; and become familiar with the endangered species in your production area.
27. Do not catch or keep wild animals in captivity.
28. Locate new crop fields at a distance of no less than 2 km from Protected Natural Areas.
29. Safeguard the integrity of natural streams and/or water bodies of the forests and other land ecosystems. Do not fill or drain moist soils. Do not extend the coffee or cocoa crop to distances shorter than 10 meters from permanent natural streams.
30. Do not convert natural forest to agricultural production. Do not destroy or burn primary or secondary forests, or micro headwaters, effective March, 2004.
31. Locate the new production areas where weather, soil and slope conditions are suitable for long term cultivation.
32. Implement soil structure handling and preservation practices (topsoils and fertilizers, mulch, incorporation of organic matter, etc.)
33. Implement a soil fertilization program based on soil analyses performed every three years.
34. Safeguard bodies of water, roadways and crop areas by establishing buffer zones, with reforestation and/or natural regeneration.
35. Signal all the crop areas, buffer and conservation zones.
36. Treat all domestic and wet-milling plant waste water separately according to their origin and content of polluting agents; and do not irrigate the crop with waste water.
37. Do not contaminate natural water bodies with solid or liquid wastes.
38. All piping and/or water distribution networks shall be free from leaks.

INTEGRATED CROP AND WASTE-MATERIAL HANDLING

39. The seed for your crops shall be healthy, without unauthorized chemical agents, and come from the organic production of varieties suited to the area.
40. Only use the crop-protecting fertilizers authorized in the Addendum of this internal standard. Request technical assistance from your IMS on this issue, and maintain a file of the technical specifications of the product utilized.
41. Engage in good cultural practices to prevent pest issues, diseases and weeds by: avoiding burning practices, using resistant varieties, using authorized crop protecting agents (see Addendum 2), carrying out timely weeding tasks, selective and/or sanitary pruning, etc.
42. When fertilizing, use a maximum of organic material from the farm, and authorized external fertilizers only when required.
43. Manure shall be applied once it has been fertilized for 15 days with a minimum of 5 turnovers or, otherwise, to be applied 90 days prior to the harvest campaign.
44. Store fertilizers, crop protecting agents, and waste material separately in isolated, dry, well vented, clean, signalized, locations and handle them accordingly without contaminating water bodies.
45. Maintain good housekeeping in milling facilities and equipment.
46. Maintain the calibration of all harvest weight or volume measuring tools or equipment.

47. Coffee fermentation shall be carried out using suitable and clean containers.
48. Coffee-drying yards and facilities, as well as packing material, shall be free of any source of contamination.
49. Provide roofed facilities to store coffee on platforms, in ventilated places. Leave a small clearance from the walls.
50. Carry out safe and suitable handling and/or treatment of waste materials derived from milling operations.

Glossary

Natural forest: Primary and secondary forests without significant human contact for a minimum period of 10 years.

Primary forest: A forest that originally covered a region before changes caused by human intervention took place.

(Source: UNUN <http://www.eionet.europa.eu>).

Secondary forest: Natural growth of a forest following certain major disturbance; i.e., cutting of trees, severe fires, or insect attack (Source: European Community Biodiversity Clearing-House Mechanism. <http://glossary.eea.europa.eu>).

Chain of Custody: All the stages of the production chain between primary production and final consumption (including the crop, handling, processing and marketing).

Genetically Modified Organisms (GMO): Organisms product of recombinant DNA technology.

Purma: Soil degraded by prior agricultural activity, which is being let to rest under natural regeneration for a predetermined period.

Parallel production: When a productive unit handles animal and/or vegetable production under both organic and conventional production systems. (Peruvian Regulation 044-2006 Ag)

IMS: Integrated Management System the smallholder group.

Integrated Management System of the farm: A system of programs that interact to establish the social, environmental and productive policy and objectives, and the activities required to achieve such objectives. It is equivalent to and contemplated in Rainforest Alliance's Social and Environmental Management System, the Operator Profile and/or the National Organic Program NOP, or in the Organic Handling Plan of the European Union's organic regulations.

Addenda to the Internal Standard

PRODUCTS AUTHORIZED FOR THE FERTILIZATION OF ORGANIC CROPS

Products authorized for soil fertilization, according to Peru's Technical Regulations for organic products (DS 044-2006-Ag):

(Restricted ("R")) means that the certification program shall establish conditions and procedures for its use).

#	Name	Category according to the DS No 044/06 Ags	Prohibited ("P") by:		
			NOP	CEE 889-08	JAS
1	Fertilizer, liquid slurries (purin) and urine (without the use of salts), only from extensive raising	Free	R		
2	Liquid slurries with the use of salts, only from extensive raising	Restricted			
3	Remainders of organic crops and green fertilizers	Free			
4	Straw and other soil covers (mulch)	Free			
5	Seaweed and seaweed byproducts, obtained by physical processes or extracted with water or aqueous acid and/or alkaline solutions	Restricted			
6	Peat moss, sawdust, shavings and bark, provided they originate from untreated wood and from renewable sources.	Free		R	
7	Vinasse and vinasse extracts	Restricted		R	
8	Guano from the islands	Restricted			
9	Worm Humus	Restricted			
10	Flour made of fish meal, blood, meat, bones, horns, husks and feathers, wool, hairs, milk products	Restricted			
11	Organic products and by-products of vegetable origin for fertilizing (for example: oily seed meal, cocoa rind, etc.)	Restricted			
12	Waste water slushes and urban fertilizer, from sources sorted and evaluated for contamination	Restricted and only for reforestation	P		P
13	Fish and fish products, without preservatives	Restricted			
14	Food and textile industry by-products, of biodegradable material of microbial, vegetable or animal origin, without synthetic additives	Restricted			
	Minerals				
1	Calcified seaweed	Free			
2	Untreated wood ashes	Restricted			
3	Calcium sulfate (plaster of Paris) and calcium chloride solution	Restricted			R
4	Calcium carbonate from natural sources (i.e., chalk, marl, crushed calcareous rock, calcareous sand, phosphatized chalk, etc.)	Free			
5	Magnesian / dolomite lime	Restricted			
6	Sodium chloride	Restricted			
7	Oligoelements	Restricted			R
8	Basic slag	Restricted			
9	Natural phosphates	Restricted			
10	Magnesium sulfate (i.e., Kieserit)	Restricted			R
11	Mineral potassium with low chlorine content (i.e., Potassium sulfate, Sylvanit, patenkali, etc.)	Restricted			R
12	Elementary sulfur	Restricted			
13	Natural Phosphoric rock	Restricted			R
14	Crushed rock	Restricted			

AUTHORIZED CROP PROTECTION PRODUCTS IN ORGANIC CROPS

Authorized Products for Crop-Protection Management, as per DS 044-2006-AG:

#	Name	Category according to the DS No 044/06 Ags	Prohibited ("P") by:		
			NOP	CEE 889-08	JAS
1	<i>Azadirachta indica</i> (neem)	Restricted			
2	Vegetable oils (i.e., mint, pine, caraway oil)	Free			
3	Light mineral oils	Restricted			
4	Clays (i.e., bentonite, perlite, vermiculite, zeolite)	Free			
5	Sulfur	Restricted			
6	Sodium bicarbonate	Restricted			
7	Quicklime and lime Sulfide (calcium polysulfide)	Restricted			
8	Calcium / soda chloride	Restricted	P		
9	CO ₂ (only for use in warehouses)	Free			
10	Pheromones (only in traps and dispensers)	Free			
11	Gelatin	Free			
12	Tobacco <i>Nicotiana tabacum</i> infusion (aqueous solution)	Restricted		R	
13	Lecithin	Free			
14	Potassium salt, rich in fatty acids (mild soap)	Free	P		
15	Liberation of parasites and predators of insect pests, declared as GMO free.	Restricted			
16	Potassium permanganate, Potassium alum (Kalinite)	Restricted			
17	Microorganisms (bacteria, virus and fungi); i.e., <i>Bacillus thuringensis</i> , <i>Baculovirus</i> , etc., declared as GMO free.	Restricted			
18	Animal and vegetable preparations	Restricted			
19	Bee resin	Free			
20	Pyrethrins derived from <i>Chrysanthemum sp</i> and <i>Pyrethrum sp</i>	Restricted			
21	<i>Quassia amara</i>	Restricted			
22	Rotenone derived from <i>Derris spp</i> , <i>Lonchocarpus spp</i> and <i>Terphrosia spp</i>	Restricted			
23	Plant-derived repellents	Free			
24	Ryania	Restricted			
25	Copper salts in the form of copper hydroxide, copper oxychloride, tribasic copper sulfate or cuprous oxide (only for the preparation of the Bordeaux mixture and less than 5 kg/ha/yr of copper).	Restricted			
26	Quartz sand and silicates	Free			
27	Diatomaceous Earth	Restricted			
28	Chromatic traps	Free			
29	Mechanical traps	Free			
30	Beeswax	Free			
31	Diammonium phosphate as bait (only in traps)	Restricted			
32	Methaldehyde (only in traps)	Restricted			
33	Ethylene	Free			
34	Paraffin oil	Free			