



Verifier and Inspector Guidance Update

Dear Verifiers and Inspectors,

This document is intended to supplement the "C.A.F.E. Practices Verifier and Inspector Operations Manual". This guidance update is divided into three sections: Program Document Updates, Verification Procedures and Methodology, and Updates for Applicants/Suppliers. Each section notes the implementation dates for the following updates.

Update Number 13.0-08/2020

1.0 Program Document Updates:

1.1 C.A.F.E. Practices Verifier and Inspector Operations Manual – Version 5.4

The new version of the Verifier and Inspector Operations Manual will include all procedures that have been created and/or updated for version 3.5 of the C.A.F.E. Practices program, including recent Verifier Guidance Updates. **The updated version of the Verifier and Inspector Operations Manual will be available in 2021.**

1.2 C.A.F.E. Practices Audit and Training Manual – Version 2.0

The latest version of the Audit and Training Manual will include updates relating to the audit activities carried out by SCS to assess verification organization performance and compliance with program requirements. **The updated version of the Audit and Training Manual will be available in 2021.**

2.0 Verification Procedures and Methodology:

The guidance included in this section will be effective in **Central America and Mexico on October 1st, 2020**, and on **January 1st, 2021 in all other origins**.

2.1 In-Harvest Qualification at the Entity Level

For large (>50 ha) and medium farms (≥12ha, <50ha), the inspector should select 'Yes' on the coversheet in the field notes and the VRS for 'Inspected during Harvest' if ripe or ripening cherries are observed on the farm AND 15% of the total number of workers, including permanent and temporary workers, is present on the day of the inspection. The total number of workers is defined as the total number of workers employed in the course of an entire calendar year or an equivalent 12-month period. Where 15% of the total number of workers is fewer than three, a minimum of three workers must be present and available for interviews during the inspection.

For small farms (<12 ha) with on-site milling, the inspector should select 'Yes' on the coversheet in the field notes and the VRS for 'Inspected during Harvest' if ripe or ripening cherries are observed at the time of inspection, AND if it is demonstrated through visual, interview, and documented evidence that machinery (depulpers, washers, fermentation tanks, mechanical

dryers, water treatment systems) has been operating at least once during the current harvest cycle.

For small farms (<12 ha), the inspector should select 'Yes' on the coversheet in the field notes and the VRS for 'Inspected during Harvest' if ripe or ripening cherries are observed at the time of inspection.

For processors that are classified as wet and dry, the qualifications for wet as well as dry processors need to be met.

2.2 In-Harvest Requirement at the Entity Level

For large (>50 ha) farms, all inspections must be conducted in-harvest. In cases where a large farm inspection is planned and at the time of the inspection the in-harvest qualification is unable to be met, the inspector must not conduct the inspection. They must inform the verifier immediately, and the verifier should inform SCS by sending an email to cafepractices@scsglobalservices.com with specific details on (1) why the in-harvest classification was not met, and (2) if it is possible for the inspector to return at a later time for an in-harvest inspection. Verifiers are reminded in the planning phase to communicate clearly to suppliers the in-harvest requirement for large farms and consequences if those conditions are not met.

For small farms (<12 ha) with or without on-site milling and medium farms (≥12ha, <50ha), off-harvest inspections of individual entities are permitted.

2.3 In-Harvest Requirement at the Application Level

For applications composed of large farms (see section 3.2), for the application to be considered 'in-harvest', all large farms and all stand-alone mill coversheets in the application must indicate 'yes' for 'Inspected during Harvest'. The harvest classification of mills on integrated estates (whether in or off harvest) does not affect the overall application harvest classification.

*For applications composed of small and medium farms, for the application to be considered 'in-harvest', at least 50% of all sampled farms and all stand-alone mill coversheets in the application must indicate 'yes' for 'Inspected during Harvest'. **New supply chains and supply chains with expired validity must be inspected during harvest.** For re-verifications, off harvest verification is permitted but the subsequent verification MUST be completed as an 'in-harvest' verification. Verifiers are reminded during the verification planning phase to check the information provided in the First Response Letter to confirm if the verification has to be conducted in harvest and remind the supplier about the requirements for the verification.*

2.4 Sampling requirements

The following updated sampling requirements will be **effective in Central America and Mexico on October 1st, 2020**. In **all other origins** the updated sampling requirements will be effective on **January 1st, 2021**. *Any verification with a start date on or after the effective date must utilize the updated sampling requirements, even if they were claimed before the effective date.*

Large farms (≥50ha). All large farms and processors used by large farms included in the application must be verified in a given supply chain for all applications.

Medium farms ($\geq 12ha$, $< 50ha$). All medium farms and processors used by farms included in the application must be verified in a given supply chain for all applications with 10 medium farms or fewer. When a supply chain consists of more than 10 medium farms, inspectors should use a sample-based approach for medium farms. The sample intensity for medium farms when the supply chain contains more than 10 large farms is the first 10 medium farms + 1.5 times the square root of the number of medium farms greater than 10. In statistical terms, the total number of medium farms to be sampled is n .

*Thus, for medium farms with more than 10 farms in an application,
 $n = 10 + 1.5\sqrt{\text{number of medium farms greater than 10}}$.*

The following requirement (section 6.4.2.2.) does not change: “On-premise wet mills for medium farms will have a separate entity code and should be visited in accordance with medium farm sampling guidelines.”

For small farms ($< 12ha$). The sample intensity for small farms is 1.5 times the square root of the total number of small farms. In statistical terms, the total number of farms to be sampled is n .

Thus, for small farms $n = 1.5\sqrt{\text{total number of small farms}}$

3.0 Updates for Applicants and Suppliers:

The information provided here is for informational purposes only. Verifiers and inspectors are not expected to guide suppliers on any of these items below, as this requires communication between the supplier and the FSC when submitting and finalizing the application before it is claimed by the verifier. Verifiers and inspectors should nevertheless be informed about these changes, since they might find discrepancies in the field that will require a discrepancy notification, which Starbucks and the supplier will resolve.

3.1 Maximum Number of Farms per Application

All applications submitted by suppliers to Starbucks **on or after October 1st, 2020** must adhere to the following maximum number of farms per application, based on farm types:

Large farms. The number of large farms per application is not to exceed 20. In cases where a supply chain has more than 20 large farms, it will need to be split into several distinct applications, with a maximum size for each application of 20 large farms.

Medium farms. The number of medium farms per application is not to exceed 50. In cases where a supply chain has more than 50 medium farms, it will need to be split into several distinct applications, with a maximum size of 50 medium farms per application.

Small farms. The maximum number of small farms per application varies, depending on the origin. In Central America, Mexico, Jamaica, United States and Asia (with the exception of Indonesia and East Timor), the maximum number of small farms per application is 500 small farms. In South America, Africa, Indonesia and East Timor the maximum number of small farms per application is 1,500 small farms.

3.2 Separation of Small and Medium Farm Applications from Large Farm Applications

All applications submitted by suppliers to Starbucks **on or after October 1st, 2020** will be separated by farm size so that a single application will be composed of either (1) Large farms only, plus associated processors and warehouses; or (2) Small and Medium farms, plus associated processors, PSOs, and warehouses. Verifiers should take note that supply chains that previously were verified as one single supply chain may now be split into two separate supply chains, requiring different security IDs to be claimed in the VRS with reporting to be completed separately into two distinct supply chains in the VRS. Guidance on conducting two verifications concurrently for the same supplier will be provided.

3.3 New Validity Periods

New validity periods will be granted to applications for which the verification begins on or after **October 1st, 2020 in Central America and Mexico, or January 1st, 2021 in all other origins**. As the validity periods are granted by Starbucks, no action is required on behalf of the verification organization, however verifiers should take note that validity periods will be shortened, as summarized in the table below.

Verification Scores	Harvest Classification	Status	Validity	Strategic Premium
SMALL & MEDIUM FARMS				
80% +	In-harvest	Strategic	2 years	YES
Below 80%	In-harvest	Verified	2 years	NO
ALL Scores	Off-harvest*	Verified	1 year	NO
LARGE FARMS				
80% +	In-harvest	Strategic	1 year	YES
Below 80%	In-harvest	Verified	1 year	NO

*Next one must be In-harvest