



## 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”, “C.A.F.E. Practices Verification Organization Approval Procedure” and “C.A.F.E. Practices Verifier and Inspector Indicator Guidance Reference.” This guidance update is divided into four sections: Program Document Updates, Verification Procedures and Methodology, Indicator Interpretation and Updates, and VRS Updates.

### **Update Number 12.0–10/2019**

#### **1.0 Program Document Updates**

##### **1.1 Verifier and Inspector Operations Manual – Version 5.3**

###### **1.1.1 Coversheet Data Collection**

The coversheet information should be collected right after the opening meeting, before the document review or field inspection to ensure that the inspector is aware of certain elements that are necessary to consider during the observation like worker housing or number of water bodies. Updates to the information might be necessary during the inspection.

##### **1.2 Verification Organization Approval Procedure – Version 2.2**

Further clarification has been added to the provisional approval process of Verification Organizations. To distinguish between newly approved verification organizations and those who see their status restricted, i.e. changing from fully approved to provisionally approved, a new category has been added for new organizations: limited approval. This chapter will be added under section 3 – Organization Approval Procedure. The current section 3.2 will be split into two to distinguish between limited and provisionally approved organizations. Also, a section on restrictions will be added to clarify that there is the possibility for a fully approved organization to be restricted to provisional approval.

###### **1.2.1 Limited Approval**

Should the application review and initial training prove satisfactory, the verification organization will be granted limited approval status. Limited approval allows the organization to conduct one verification of a C.A.F.E. Practices applicant at a time. Verification work entails all parts of the verification from pre-onsite planning to submission of final reports to Starbucks. It is mandatory that SCS review the scope and verification plan for an organization’s first verification.

Verification organizations with limited approval are expected to undergo an initial audit from SCS during their first C.A.F.E. Practices verification contract. The SCS initial audit includes:

- An onsite audit of the verifier's business office or base of operations within a year of having completed their first verification;
- A shadow audit (observation) of a verification; and,
- A subsequent assessment and evaluation of the reports submitted in the VRS from the application of the shadow audit.

Limited approval may be extended at the discretion of SCS if the verifier has yet to secure a client.

Once a verification organization has completed its first verification satisfactorily and closed out all Non-Conformities (NCs) issued by SCS, SCS may decide if the verification organization is ready to have its approval status expanded. Should the performance during the first verification not be satisfactory, SCS may maintain the limited approval status or suspend the verification organization.

#### 1.2.2 Provisional Approval

The next approval status up from limited approval is provisional approval status. Provisionally approved organizations may accept and plan work for up to three verifications at a time.

SCS reserves the right to review the approval status of a verification organization on an annual basis based on the quantity of work that the organization receives and on the quality of the work conducted.

#### 1.2.3 Restriction

Restriction is a downgrade in the organization's approval status, for example from full approval status to provisional or limited approval status.

Maintaining approval status is conditional on continued adherence to program requirements, procedures and deadlines, prompt response to SCS, clients and Starbucks, response and correction of SCS issued Non-conformities within the provided deadlines, as well as good standing with national and other applicable regulatory bodies. Verification organizations whose performance is systematically incomplete or improper with regards to program responsibilities as laid out in program documents, or who fail to respond to SCS, clients or Starbucks on critical program related communications or who demonstrate other issues which put either the functioning or the integrity of the program at risk, may see their approval status restricted.

SCS may restrict verification organizations' approval status at will, based on any of the above reasons, or based on suspicions of impropriety or other occurrences or claims that could negatively impact the integrity and/or proper functioning of the program.

#### 1.2.4 Organizational capacity

To ensure that any issue can be addressed in the necessary timely matter, organizations with only one approved verifier must get at least one additional (second) verifier or a lead inspector approved by SCS who will be able to respond to any SCS communications, in cases where the main verifier cannot respond. A second verifier/lead inspector is also necessary to review any reports for which the verifier acted as an inspector.

### 1.2.5 Requirements for Lead Inspectors

It is necessary for the verifier to request approval for an inspector to be officially classified as a lead inspector. Once the request is granted, the verifier may create a verifier account for the lead inspector in the VRS.

An individual must meet the following requirements in order to be eligible to be a C.A.F.E. Practices lead inspector:

- All requirements of an inspector as listed in the Verification Organization Approval Procedure,
- Demonstrate broad experience in conducting C.A.F.E. Practices inspections.

Lead inspector responsibilities include the general responsibilities of an inspector as listed above, as well as supporting general verifier responsibilities, including:

- Conducting internal review of reports in the VRS,
- Sending draft client reports through the VRS, and
- Delivering internal trainings to new inspectors or personnel who did not attend the annual training conducted by SCS.

Support in verification activities is essential in verifications where the verifier acts as an inspector to ensure impartiality, as outlined in section 6.8.3.1. of the Verifier and Inspector Operations Manual.

### 1.2.6 SCS Approval of New Personnel

A verifier or lead inspector must attend the opening meeting of any verification conducted by inspectors who are new to the C.A.F.E. Practices program, as well as shadow each new member of the inspection team for at least **two** days. This is to ensure all inspectors have been provided adequate training and guidance and have implemented the feedback on the second day of their verification. This applies regardless of whether a SCS shadow audit is occurring concurrently or not. To finalize the process of approval for new inspectors, the internal observation report will need to be sent to SCS, confirming that the inspector meets the requirements to conduct inspections independently. After receiving approval SCS highly recommends that new inspectors conduct their first verification(s) as a team together with more experience inspectors, rather than independently. During the first verification in which they are officially conducting C.A.F.E. Practices inspection, at least one other inspector is required to be part of the team.

### 1.2.7 Inspectors and Verifiers working across verification organizations

It is possible for inspectors to be approved **as inspectors** for different verification organizations at the same time. However, verifiers may not work as neither verifiers nor inspectors for more than one verification organization. Inspectors can work as inspectors for different verification organizations as long as each organization has conducted an internal training, guarantying that the inspector is trained on the organization's own quality systems and controls. Each organization is responsible for their inspector.

### 1.3 Field Notes Updates – 100 million trees

Inspectors conducting C.A.F.E. Practices verifications in El Salvador, Guatemala, and Mexico, will likely encounter farms that form part of Starbucks' 100 Million Trees Program. Farms participating in this program are indicated in the VRS and will require additional information on the coversheet. The questions are to be found on the SCS website and the format is intended to complement the field notes. The VRS has been updated accordingly and includes these questions for applications claimed after July 18, 2019.

### 1.4 Indicator Guidance Reference

The Indicator Guidance Document has been slightly modified to ensure that the versions in all languages (English, Spanish and Portuguese) are the same. The version number has not been updated, nevertheless the date on the coversheet was - August 2019. Verifiers are expected to share version August 2019 with their team and use it for all new verifications.

## 2.0 **Verification Procedures and Methodology**

### 2.1 Validity of Warehouses and Mills

Warehouses that have already been inspected during the same harvest period and for the same supplier do not need to be re-inspected. Since the validity for mills and warehouses is different, verification organizations are reminded to confirm the validity of these entities for each verification separately through the respective First Response Letter and reach out to SCS in cases which need specific confirmation. Both entity types can be evaluated as their own supply chain, i.e. "mill-only" or "warehouse-only".

For general information on warehouses and supply chain intermediates, please refer to VGU 10 as well as section 5.2.2.1 of the Verifier and Inspector Operations Manual V.5.3.

If there is a question about evaluation of either warehouses or other types of supply chain intermediates, please contact SCS immediately to determine the approach and whether a supply chain discrepancy exists.

## 3.0 **Indicator Interpretation and Updates**

### 3.1 Access to safe water

SR-WC1.2	Employer provides workers with convenient access to safe drinking water.
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If workers prefer to bring their own water, the inspector needs to investigate the reason. Should the water provided by the management still be safe to drink, the correct evaluation of the indicator is "Comply."

### 3.2 Integrated Pest Management Approaches for Fungicides to treat Rust

CG-EM1.11	Farm takes physical action to control sources of infestation.
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CG-EM1.12	<b>Pesticides</b> (not including herbicides) are applied only on a spot-application basis, depending on the type and severity of infestation.
CG-EM1.13	<b>Pesticides</b> (not including herbicides) are only applied as a last resort (after cultural and physical controls have failed).

Guidance provided in the VGU 8 Addendum referred to an outbreak of rust fungus several years ago. Since then, this outbreak has calmed down. Therefore, the treatment of coffee rust or roya (*Hemileia vastatrix*) **should be considered again** in evaluation of indicators CG-EM1.11, 1.12, and 1.13.

#### 4.0 VRS updates

##### 4.1 Harvest status for small farms with mill on-site

To avoid confusion around harvest status of small farms with on-site milling, the separate harvest status for the on-site mill has been removed from the VRS. Inspectors are expected to classify the harvest status for the entity correctly as per section 6.6.3 of the Verifier and Inspector Operations Manual, i.e. both farm **and** mill need to qualify for in-harvest status to be classified as such.

##### 4.2 Requesting mill and warehouse report copies

All mills and warehouses that appear in the First Response Letter of an application will already have a report copy available when the application is claimed in the VRS. In cases where a mill/warehouse does not appear in the first response letter but qualifies for a copy, the VRS will provide a “request report copy” button on the coversheet of the respective entity, and a list of reports to choose from. The verifier will need to wait for the FSC to approve the request and make the report available. Only reports that have been approved by the client can be copied to another application.