



Costs for SPOs

General Certification Procedure and Regulations on Costs

SPP Tutorials
Costs for SPOs
Version 1.0 | 2023-10-03

For:
Producers
Buyers
General public



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1. Certification Costs

First-time

For:
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SPP costs for first-time applicants

1. If this is your first time applying for SPP Certification, you will need to pay SPP Global a **150 USD Application Fee**.

Once your payment is confirmed, you will undergo an **Eligibility Check Process**. This means, SPP Global will verify if your organization qualifies for the certification process.



SPP costs for first-time applicants

2. If you achieve a Positive Resolution for your Eligibility Process, the Certification Entity(-ies) you selected will send you a **Cost Proposal for your evaluation.**



SPP costs for first-time applicants

3. Your Certification Entity will calculate the number of days needed to conduct your evaluation based on how many producers your organization has.



SPP costs for first-time applicants

4. Considering an average rate of 380 USD per evaluation day, here is an estimate of what organizations will have to pay to Certification Entities:

Number of producers	0 to 100	101 to 250	251 to 500	501 to 1000	+ 1000
Approximate cost (USD)	\$950	\$1,045	\$1,140	\$1,330	\$1,425



SPP costs for first-time applicants

5. Once you **accept one cost proposal**, you will pay your evaluation fee to the Certification Entity (CE), so that they start your Document-based Evaluation.



SPP costs for first-time applicants

6. Upon completion of your evaluation, the CE will prepare and submit an Evaluation Report featuring either a Positive or a Negative Resolution. If the Resolution is positive, you will pay SPP Global your **SPP Basic Membership Fee**.



Basic Membership Fee

This fee is determined according to the number of producers your organization has.

Number of producers	0 to 100	101 to 250	251 to 500	501 to 1000	+ 1000
Cost (USD)	\$150	\$187.50	\$375	\$562.50	\$750



Recap

In sum, you will need to pay these fees to obtain your first SPP Certificate:

- **Payment to SPP Global:**

Membership Application Fee (Basic Fee)

- **Payment to CE:**

Evaluation conducted by Certification Entity (CE)



2. Costs to keep your SPP certificate current

Renewal

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Costs to keep your SPP certificate current

1. Every year, you will have to undergo a follow-up evaluation conducted by your CE.

Likewise, You must pay your annual **Basic Membership Fee** and your **annual User Fee** to SPP Global.



Costs to keep your SPP certificate current

2. Throughout the year, you must prepare and submit required SPP Sales Reports.

This information will be used to calculate your Volume Fee, which is to be paid before starting your Annual Follow-up Evaluation.



Volume Fee

The Volume Fee (VF) is a component of the SPP Membership Fee and is equivalent to 0.15% of the amount you sold to SPP Final Buyers during the previous year.

If your Organization sells finished products nationally and under its own brand, this fee does not apply.



Volume Fee

To calculate the Volume Fee, two elements are considered: sold quantity and SPP Minimum Sustainable Price (MSP) for each product:

$$\text{VOLUME FEE} = \text{QUANTITY SOLD} \times \text{MSP} \times 0.15\%$$

For example,

Example: If you sold 100 tons of cocoa to a Final Buyer in France under SPP conditions, your Volume Fee would be 540 USD.

$$100 \text{ TON} \times 3,600 \text{ USD/ TON} \times 0.15\% = \$540 \text{ USD}$$



So...

Before starting your annual evaluation, you must pay SPP Global your SPP membership fee.

The **SPP membership fee** is calculated by adding my Basic Fee and my Volume Fee.



Basic Fee

1. This will be calculated according to the number of producers in your SPO.

Number of producers	0 to 100	101 to 250	251 to 500	501 to 1000	+ 1000
Cost (USD)	\$150	\$187.50	\$375	\$562.50	\$750



Keep in mind

1. Your **Volume Fee** will be equivalent to 0.15% of the total amount you sold to Final Buyers under SPP conditions.



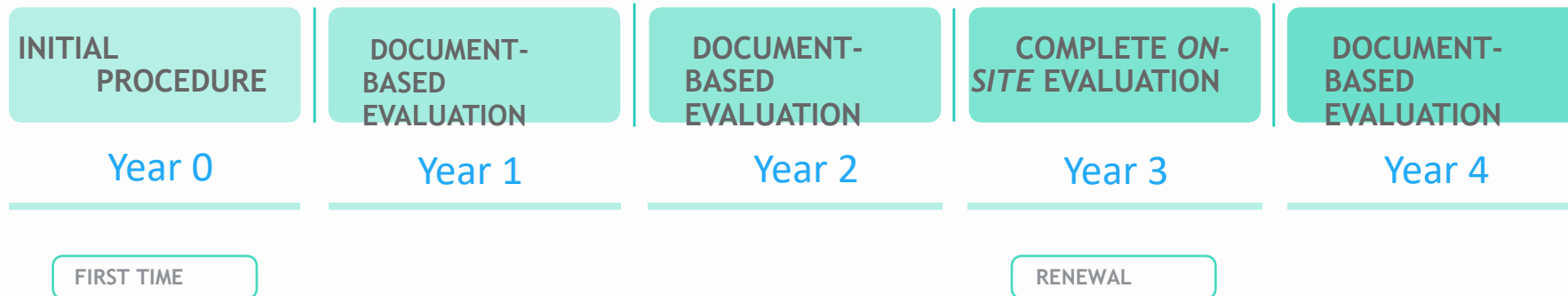
Keep in mind

2. Subsequently, you must pay your Certification Entity for them to conduct your annual evaluation. Evaluation cost will depend on the type of evaluation you are due for and the number of producers your Organization has.



Keep in mind

3. Every three-year cycle, you will have to undergo a Document-based Evaluation in years 1 and 2; as for year 3, you will be due for a Complete On-Site Evaluation to renew your certificate.





Keep in mind

4. If you're due for a Document-based Evaluation, its cost will depend on the number of Producers your organization has:

Number of producers	0 to 100	101 to 250	251 to 500	501 to 1000	+ 1000
Approximate cost (USD)	\$950	\$1,045	\$1,140	\$1,330	\$1,425



Keep in mind

4.1 When it comes to On-Site Evaluations, the approximate cost for this is 2,200 to 2,600 USD plus travel expenses, considering an organization having more than 1,000 producers and a daily CE charge of 500 USD.



Recap

Once certified, these are the costs you'll have to pay to keep your certificate current:

- **Payment to SPP Global:**
Membership Fee (Basic Fee + Volume Fee)
- **Payment to CE:**
Evaluation conducted by Certification Entity (CE)



Cost examples

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Recap

To illustrate total SPP cost calculation method, consider examples coming up next.

* To make **Volume Fee** calculation easier, purchased quantity is expressed in corresponding unit of measurement used in the SPP Minimum Sustainable Price List.

Here we go!



A first-time SPO has 200 producers and it will sell ten tons of cocoa to a Final Buyer in Spain.



APPLICATION
FEE

\$150 USD

SUBTOTAL
\$150



CERTIFICATION
COST

Approximate Cost for a Document-based Evaluation, according to number of producers and considering a CE daily charge of 380 USD

\$1,045



MEMBERSHIP
FEE

Since the Organization has 200 producers, it has to pay a 187.5 USD Basic Fee

\$187.5



VOLUME
FEE

Since these are export sales to a Final Buyer, the organization must pay a Volume Fee

\$54

PRODUCT	TOTAL QUANTITY PURCHASED (Q)	SUSTAINABLE PRICE SPP (MSP)	% ACCORDING TO BUYER (%)	VOLUME FEE (Q*MSP%)
Cocoa	10 tons	3,600 USD/ton	0.15%	\$54

TOTAL COSTS

Application Fee + Certification Fee + Volume Fee + Membership Fee

= \$1,436.5 USD





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A first-time SPO has 100 producers and sells ten tons of cocoa under its own brand nationally.

	APPLICATION FEE	\$150 USD	SUBTOTAL \$150
	CERTIFICATION COST	Approximate Cost for a Document-based Evaluation, <u>according to number of producers</u> and considering a CE daily charge of 380 USD	\$950
	MEMBERSHIP FEE	Since the Organization has 100 producers, it has to pay a 150 USD <u>Basic Fee</u>	\$150
	VOLUME FEE	As these are domestic sales made under SPO's own brand, SPO does not have to pay a Volume Fee. However, SPO must report these sales for statistical purposes	

TOTAL COSTS

Application Fee + Certification Cost + Membership Fee

=

\$1,250 USD

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A first-time SPO has 200 producers and sells ten tons of mango to a Final Buyer located in its domestic market (product country of origin)



APPLICATION
FEE

\$150 USD

SUBTOTAL
\$150



CERTIFICATION
COST

Approximate Cost for a Document-based Evaluation, according to number of producers and considering a CE daily charge of 380 USD

\$1,045



MEMBERSHIP
FEE

Since the Organization has 200 producers, it has to pay a 187.5 USD Basic Fee

\$187.5



VOLUME
FEE

Even if these are domestic sales, if the SPO sells to a Final Buyer, it must pay a Volume Fee

\$14.18

PRODUCT	TOTAL QUANTITY PURCHASED (q)	SUSTAINABLE PRICE SPP (MSP)	% ACCORDING TO BUYER (%)	VOLUME FEE (Q*MSP%)
Mango	30 tons	315 USD/ton	0.15%	\$14.18

TOTAL COSTS

Application Fee + Certification Cost + Membership Fee + Volume Fee

= \$1,396.7 USD



A 500-member SPO having obtained its first SPP Certificate is due for its second year evaluation. It sells ten tons of Quinoa to a Final Buyer in France.



CERTIFICATION
COST

Because it is its second year, it is due to undergo a Document-based Evaluation. Approximate cost, according to number of producers and considering a daily CE charge of 380 USD is:

SUBTOTAL
\$1,140



MEMBERSHIP
FEE

Since the Organization has 500 producers, it has to pay a 375 USD Basic Fee.

\$375



VOLUME
FEE

Since these are export sales, SPO must pay a Volume Fee.

\$238.5

PRODUCT	TOTAL QUANTITY PURCHASED (Q)	SUSTAINABLE PRICE SPP (MSP)	% ACCORDING TO BUYER (%)	VOLUME FEE (Q*MSP%)
Quinoa	50 tons	3,180 USD/ton	0.15%	\$238.5

TOTAL COSTS

Certification Cost + Membership Fee + Volume Fee

= **\$1,753.5 USD**



Please let us know
if you have any questions!



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