



Costs for Final Buyers

General Registration Procedure and Regulations on Costs





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1. Registration Costs

First-time

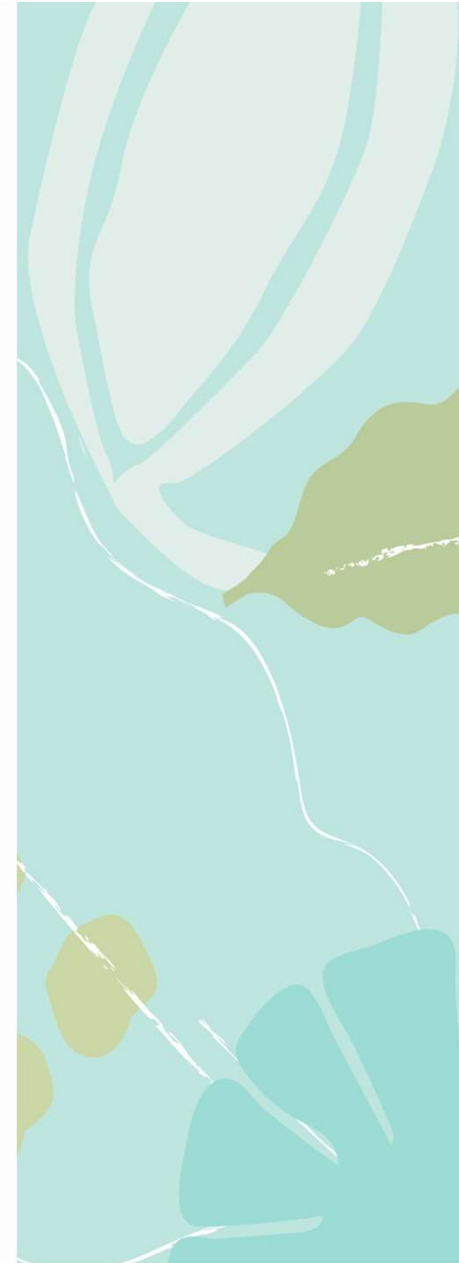




SPP costs for first-time applicants

1. If this is your first time applying for SPP Registration, 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 company 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. Certification Entities (CE) will calculate their fee rate based on the total amount of SPP products you're planning to buy and according to the number of days needed for your evaluation.





SPP costs for first-time applicants

4. If you're planning to buy less than 3 million USD worth of SPP products, your evaluation would cost approximately S 900 - 1,100 USD, depending on each CE rate.





SPP costs for first-time applicants

5. Once **you accept one cost proposal**, you must pay the Certification Entity (CE) fee to start your Initial Document-based Evaluation (to be conducted remotely).





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 an **SPP Membership Fee**.





First Annual Membership Fee

- This fee is calculated based on the **total amount of SPP products you plan to buy** during your first membership year:

AMOUNT OF SPP PURCHASES IN USD (ESTIMATE)	ANNUAL MEMBERSHIP FEE TO PAY (USD)
> \$100,000.00	\$500
More than \$ 80,000.00 up to \$ 100,000.00	\$400
More than \$ 60,000.00 up to \$ 80,000.00	\$300
More than \$ 30,000.00 up to \$ 60,000.00	\$200
More than \$ 20,000.00 up to \$ 30,000.00	\$150
More than \$ 10,000.00 up to \$ 20,000.00	\$100
Less than or equal to \$ 10,000.00	\$75.00





Recap

In sum, first-time applicants will need to pay these fees to get their first SPP Registration:

Payment to SPP Global:

1. Application Fee
2. Membership Fee

Payment to CE

3. Evaluation by Certification Entity (CE)





User Fee

1. Once registered, you will have to submit a **quarterly purchase report** and pay a **User Fee** every three months. User fee is proportional to the amount of SPP certified products you bought during each period.





User Fee

2. User Fee is applicable to each product you buy. Percentage varies depending on whether you buy raw material or finished products and on where you buy from, i.e., directly from Small Producers' Organizations or via an Intermediary.





User Fee

a) If you buy raw material from a Small Producers' Organization (SPO), user fee is calculated by multiplying:

1.75% × volume purchased × SPP Minimum Sustainable Price.

Example:

If you buy 1,000 pounds of green coffee from an SPO, your User Fee will be:

$$1.75\% \times 1000\text{lb} \times 2.2 \text{ USD/lb} = \$38.5 \text{ USD}$$





IMPORTANT

User Fee is always based on the **SPP Minimum Sustainable Price** set for the product you bought and not on the price that your company paid to the Small Producers' Organization.





User Fee

b) If you buy a finished product from a Small Producers' Organization (SPO), your user fee is calculated by multiplying: **1.31%** × volume purchased × SPP Minimum Sustainable Price.

Example:

If I buy 1000 kg of dehydrated goldenberries from an SPO, my user fee will be:

$$1.31\% \times 1000\text{kg} \times 19.25 \text{ USD/kg} = \text{\$252 USD}$$





User Fee

c) If you buy finished products via an Intermediary, your user fee is calculated by multiplying: **1.75%** × volume purchased × SPP Minimum Sustainable Price

Example:

If you buy 1000 kg of cassava flour via an intermediary, your user fee will be:

$$1.75\% \times 1000\text{kg} \times 0.86 \text{ USD/kg} = \text{\$15 USD}$$





2. Costs to maintain registration

General Registration Procedure | Regulations on Costs





Costs to maintain registration

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

Likewise, you must pay your **Membership Fee** and your **User Fee** to SPP Global.





Costs to maintain registration

2. **Membership Fee** is to be paid before starting your annual evaluation.

This fee is calculated based on the purchases you made in the previous year.





Costs to maintain registration

3. Subsequently, you must pay your Certification Entity for them to conduct your annual evaluation.

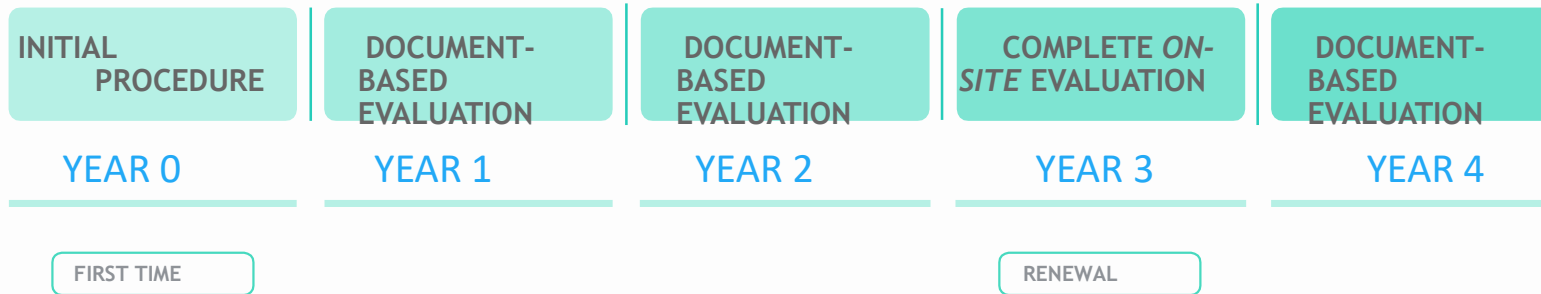
Evaluation cost will depend on the type of evaluation you are due for and the amount of SPP products you bought last year.





Keep in mind

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.





If your company purchases from less than 3 supplying SPOs for a **maximum amount of 125,000 USD** (with less than 5 import transactions), you can choose to do a complete remote evaluation instead of an On-site Evaluation.





- a) If I'm due for a Document-based Evaluation and I bought less than 3 million USD worth of SPP products, the cost for my evaluation will be approximately 900 - 1,100 USD.
- b) If I have to undergo an On-Site Evaluation, this will require 3 to 4 audit days meaning a charge of approx. 3,000 USD (auditor's travel expenses to be charged separately).





Every quarter I must report my purchases to SPP Global and pay a User Fee according to the amount of SPP products that I purchased during that period.





Keep in mind

For each product you buy, User Fee is calculated by multiplying: applicable percentage × volume purchased × SPP Minimum Sustainable Price.





Keep in mind

User Fee percentage to apply varies as follows:

- If you buy raw material from Small Producers' Organizations: 1.75%
- If you buy finished products directly from Small Producers' Organizations: 1.31%
- If you buy finished products through intermediaries: 1.75%





- If you **do not** use the SPP logo on your labels or packaging, but want to claim they contain/are made of SPP certified ingredients, you must cover a **Complementary Fee in addition to the User Fee**. Complementary Fee is 0.25% of total purchase value. (This Fee goes to SPP dissemination purposes).
- Complementary Fee can be paid directly to SPP Global or you can use it to put out SPP dissemination materials.





Recap

Once registered, these are the costs you'll have to pay to maintain your Registration:

- **Payment to SPP Global:**
 1. Membership Fee
 2. User Fee
- **Payment to CE:**
 3. Evaluation by Certification Entity (CE)





3. Cost examples

General Registration Procedure | Regulations on Costs





- To illustrate total SPP cost calculation method, consider examples coming up next.
- * To make **User Fee** calculation easier, purchased quantity is expressed in corresponding **unit of measurement** used in the SPP Minimum Sustainable Price List.





1

A Final Buyer applying for the first time plans to buy one ton of coffee and one ton of cocoa from a Small Producers' Organization (SPO)



APPLICATION FEE

\$150 USD

SUBTOTAL
\$150



CERTIFICATION COST

2 auditing days (approximate cost)

\$1,000



MEMBERSHIP FEE

Total amount purchased is \$8,804 USD (\$3,600 USD of cocoa ton plus \$4,848 USD of coffee ton)

\$75

According to established membership rates, applicable fee is \$75 USD



USER FEE

As company is buying raw material from SPO, we multiply by 1.75%.

\$147.9

USER FEE PER PRODUCT	TOTAL AMOUNT PURCHASED (A)	SUSTAINABLE PRICE SPP (MSP)	USER FEE (A*MSP*%)
Coffee	2,204.6 lb	220 USD/100 lb	\$84.9
Cocoa	1 ton	3,600 USD/ton	\$63

TOTAL COSTS

Application fee + Certification Cost + User Fee + Membership

= \$1,372.9 USD



2

A Final Buyer applying for the first time will buy one ton of pineapple juice from an SPO and one ton of lychee juice through an intermediary



APPLICATION FEE

\$150 USD

SUBTOTAL
\$ 150



CERTIFICATION FEE

2 auditing days (approximate cost)

\$ 1,000



MEMBERSHIP FEE

Total amount purchased is \$2,442 USD
(\$1,140 USD one ton of pineapple juice plus \$1,306 USD one ton of lychee juice)

\$ 75

According to established membership rates, applicable fee is \$75 USD



USER FEE

Both products purchased are finished products:

- Pineapple juice was directly bought from SPO, so we multiply by 1.31%
- Lychee juice was bought from an intermediary, so we multiply by 1.75%

\$ 37.8

USER FEE PER PRODUCT	TOTAL AMOUNT PURCHASED (A)	SUSTAINABLE PRICE SPP (MSP)	% ACCORDING TO WHO YOU BOUGHT FROM (%)	USER FEE (A * MSP * %)
Pineapple juice	1 ton	1,140 USD/ton	1.31%	\$14.95
Lychee juice	1 ton	1,306 USD/ton	1.75%	\$22.85

TOTAL COSTS

Application fee + Certification Cost + User Fee + Membership

=

\$1,262.8 USD



A Final Buyer applying for the first time will market ten tons of sugar and plans not to use the SPP logo on its products; However, in its dissemination materials or web sites, it will mention that the products have SPP Certification.

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Costs for Final Buyers



APPLICATION FEE

\$150 USD

SUBTOTAL
\$150



CERTIFICATION FEE

2 auditing days (approximate cost)



MEMBERSHIP FEE

Total amount purchased is \$11,500 USD.

\$100

According to established membership rates, applicable fee is \$100 USD



USER FEE

This company must pay a User Fee plus a Complementary Fee (either in cash or in form of diffusion materials)

\$48.87

USER FEE	TOTAL AMOUNT PURCHASED (A)	SUSTAINABLE PRICE SPP (MSP)	% ACCORDING TO TYPE OF FEE (%)	USER FEE (A*MSP*%)
Sugar	10 tons	1,150 USD/ton	1.75%	\$20.12
(Complementary Fee = 0.25% of total amount purchased = 0.25%*US \$11,500 = 28.75 USD)				

TOTAL COSTS

Application fee + Certification Cost + User Fee + Membership

= \$1,298.87 USD





4

A Final Buyer is about to renew its Registration. It bought 10 tons of lemon from an SPO.

SPP Tutorials

Costs for Final Buyers



CERTIFICATION COST

2 auditing days (Document-based evaluation)

SUBTOTAL
\$1,000



MEMBERSHIP FEE

Total amount purchased is \$4,500 USD.

According to established membership rates, applicable fee is \$75 USD

\$75



USER FEE

As company is buying raw material from SPO, we multiply by 1.75%.

\$78.75

USER FEE PER PRODUCT	TOTAL AMOUNT PURCHASED (A)	SPP SUSTAINABLE PRICE (MSP)	USER FEE (A*MSP*%)
Lemon	10 tons	450 USD /ton	\$78.75

TOTAL COSTS

Certification Cost + User Fee + Membership

= \$1,153.75 USD





Please let us know
if you have any questions!



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