

**Field to Market (FTM)**

**Verification Protocol**



Prepared for:

Field to Market and

Keystone Policy Center



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# Definitions

**Area mass balance:** Maximum total capacity of production to claim coming from a defined region.

**First aggregator (FA)**: First gathering/collection point of the commodity. Usually elevators or silos.

**Fieldprint Calculator (FPC)**: Tool used by growers in a FTM project to store and compare their farm data inputs/outputs. All claims are based on one of these 8 metrics, as it relates to the volume involved in the project.

**Grower**: Farmers involved in FTM projects. Growing one of the crops recognized in the FTM scheme.

**Impact claim:** A claim based on the comparison of specific measurements, in terms of the 8 metrics outlined by the FPC, related to the project. Quantifies actual sustained improvements or reductions against Field to Market’s outcomes-based metrics, demonstrating an improved trend line and assessing performance against a Fieldprint Project’s five-year benchmark. (Ex: Brand X buys corn from farmers who have reduced their water usage over the last 5 years.)

**Late Actors**: Project sponsors who join a project after it has already been initiated. There is no deadline to enter a project, but to make a claim they must be registered as a project sponsor by the time the project owner sends the impact claims request. Must be approved by the project owner before making claims.

**Measurement claim**: Measures progress in engaging growers and acreage in measuring continuous improvement in years 1-4 of Fieldprint Project. Documents are intended to contribute sustained improvements or reductions against Field to Market’s outcomes-based metrics and demonstrates a one-year snapshot of aggregate environmental outcomes from Fieldprint Project. (Brand X claims to have purchased 800 tons of corn involved in a FTM project.)

**Participation claim**: Communicates participation in the Alliance, expressing support for and engagement in building solutions and advancing continuous improvement in the sustainability of commodity crop production. (Example: Brand X claims to have engaged in a FTM project.)

**Plant Protection:** Application of natural or synthetic materials for the enhancement of crop production including pesticides, herbicides, plant growth regulators and/or any additional soil amendments.

**Project Manager (or Project Administrator) (PM):** Employee or individual associated with Project Owner that oversees the project from beginning-to-end and participates in the project and communications.

**Project Owner (PO)**: FTM member (NGO, company, etc.) who is the primary project sponsor, or project starter. This actor defines the verifier and Project Specialist of the project. This actor agrees to manage the project and take responsibility for implementation and compliance to the verification protocol.

**Project Partner:**  A non-member of FTM that is usually a local organization who participates in the project design and contributes resources.

**Project Specialist:** Person in the field supporting the famers involved in the FTM project.

**Project Sponsor**: A Field to Market member who agrees to participate in the project design and the contribution of resources. There is no limit on how many sponsors can join a project.

**Purchaser:** FTM member that purchases the commodity at the end of the supply chain. This actor can make a claim if and only if they are registered as part of the project.

**Quality Management System (QMS):** An administrative system outlining how to ensure the quality and integrity of the data gathered.

**Region**: Is defined per project and includes the entire (physical) area that is involved in the project. Taking into consideration the farmers and first gathering points involved.

Mill shed: Encompasses the area where the growers are that supply the mill with product.

FA shed: Encompasses the area from which the FA receives processed or raw product.

**Supply chain**: Encompasses all the actors who have ownership over the commodity during its cultivation, storage, and processing. (i.e.: growers, elevators, purchasers)

**Verifier**: Person who comes from a third-party verification body responsible for verifying a claim made with FTM.

# Purpose and Scope of Verification

# Purpose

FTM is committed to increasing sustainability within the agricultural industry, targeting commodity crops: corn, cotton, rice, wheat, potatoes and soybeans, while assuring best practices amongst producers and enabling continuous improvement at the farm level. This program encompasses verification protocols of the systems used by members to gather data on a project level and to track volumes exchanged under these protocols**.**

# Scope

This protocol begins by developing systems to be put in place in order for the FTM model to be verified by third parties, when downstream users are ready to make impact claims. It starts by explaining the roles and responsibilities of all actors involved in any project, as well as Field to Market and the third-party verifier’s roles. It continues with the details and processes involved with making impact claims and later describes the accounting system used to track the volumes behind those claims. While examining the systems, the requirements for each step of the processes are described. It later examines the quality management system behind the entire process, illustrating what verifying bodies should be looking for. Documents such as reporting templates and questionnaires for these verifying bodies are included, but can also be found in the supporting Verification Protocol Guidebook.

The verification process is based on the review and evaluation of the following systems in place for each Field to Market project:

1. Documents involved in making impact claims
2. Data Management System: Risk Assessment and Approval
3. Accounting System: Closed Credit System
4. Quality Management System

# 2. Roles and Responsibilities

The roles and responsibilities of all actors are described thoroughly by FTM, in the Fieldprint Project Handbook.

The chart below outlines only the *additional* responsibilities that each actor has taking into consideration the process of verification. The verifier will require the information outlined in each box in order to properly complete the verification of any claim.

Below are the clearly defined responsibilities of each actor. Some of the responsibilities come directly from the FTM Handbook and others have been added as needed, with regards to the verification protocol. It could be the case that one actor plays various roles. If it is the case, for example, that the FA is also the PO, then they are responsible for fulfilling the responsibilities of the FA and the PO. Which project actors are working in which roles must be clearly stated in the project plan.

**Grower**- Growers who have agreed to participate in a FTM project. They are responsible for entering their data into the FPC (via an automated or manual process). They should provide shapefiles to the PO showing the shape of the acres involved in the project. Growers can only be enrolled with one project per crop per year. The grower is also responsible for delivering some physical product to the first gathering points involved in the project. At this point, the growers should tell the FA that they are involved with the FTM project.

**Project Specialist** - Person in the field supporting the growers involved in the FTM project. The project specialist is hired by the project owner or by another actor within the project, approved by the PO, and must have the qualifications outlined in the final chapter of this document. They are responsible for engaging with the growers and must train the growers in using the FPC. They should also be a point of support for the growers to contact throughout the project’s duration. They would report back to the PO or to the actor who hired them, with regards to how things on the ground are running. They should keep records of farmer engagements, and provide the PO with a biweekly update on this, via the Project Specialist Field Activity Checklist (template outline in Verification Protocol Guidebook). This report will later be cross checked by the verifier with the communication and project plan supplied by the PO.

**First Aggregator-** First gathering/collection point of the commodity. Usually elevators or silos. It is responsible for keeping track of the volumes of the FTM commodity that are coming into the FA. These volumes will later be cross checked by the verifier, with documents provided by the PO. It could be that the PO delegates much of the project coordination to the FA, i.e. hiring the project technician or developing relationships with project sponsors.

**Project Owner**- FTM member (NGO, company, etc.) who is the primary project sponsor, or project starter. This actor determines who will be the verifier and Project Specialist of the project. The PO could delegate some of the coordination and project management to other actors in the project, but this must be clearly stated in the project plan. This actor agrees to manage the project and take responsibility for implementation and compliance to the verification protocol. It should keep records of the GRW ID registry, the FA registry, the estimated (or actual) registry of yields involved in the project, all necessary forms and reports, and the impact claims request. It is also responsible for ensuring that the project specialist is indeed engaging with the growers, and for conducting their own volume reconciliation on an annual basis. These documents are later to be cross checked by the verifier, with documents supplied by the other actors.

**Project Sponsor** – A Field to Market member who agrees to participate in Project design and the contribution of resources. In addition to sponsorship from Field to Market’s national and state-level members, local resources will be critical to the success of the Project’s continuous improvement goals. Local chapters of FTM members’ National Resources Conservation Service (NRCS) and the National Association of Conservation Districts (NACD) should be considered as potential Sponsors. In addition, field offices of conservation group members may be considered.

**Project Partner** – A non-member of Field to Market that is usually a local organization, that agrees to participate in Project design, contribution of resources, and/or local knowledge of growing and conservation practices. When choosing Project partners, considerations may include ability to contribute financially, alignment with Project goals and objectives, appropriate member of supply chain. Project partners are responsible for contributing whatever resources they agreed to with the PO.

**FTM**- It is recommended that Field to Market have a database storing project specific information, and for the organization to be in close communication with each project owner. Following this, Field to Market would be responsible for storing the GRW ID registry for every project and cross checking shape files, ensuring that no farmer is involved in two projects at the same time. It is also suggested that FTM be responsible for converting the volumes involved in each project into credits and storing and updating this information as need be. They would also be the ones to conduct the volume reconciliation on a yearly basis. FTM currently verifies any Participation and Measurement claims being made by project owners and sponsors and would continue to do so unless a request for a third-party verifier is made by a PO.

**Verification Body**- Verifiers role is limited to verification of the systems in place, by cross checking volumes, GRW lists, FA registry lists, required FTM documentation, qualifications of project personnel and conducting interviews with project technicians. Must have the qualifications outlined in Chapter 6 of this document as well as in the Verification Protocol Guidebook.

* Cross check FA registry list with actual FAs.
* Cross check volumes declared by FAs with estimated/actual yields provided by PO (based on growers FPC input).
* Cross check FTM documents provided by PO with documents provided by Project Specialists.
* Cross check Project actors provided by PO with actual project actors (sponsors/partners).
* Cross check credits associated with each project, as reported by PO and actor making the claim, with FTM records of project specific credits.

**Late Actors** – Project sponsors who join a project after it has already been initiated. There is no deadline to enter a project, but to make a claim they must be registered as a project sponsor by the time the project owner sends the impact claims request. Must be approved by the project owner before making claims and before joining the project. They are responsible for getting approval from the PO for entering the project. They must complete the late actor checklist, indicating in which way they have supported the project since they joined. They are expected to support the project in some way.

# 3. Making Impact Claims

Claims can be made by downstream actors, who were involved in projects registered with FTM. The only actors who are able to make claims are those who are registered as part of that particular FTM project in which they are basing their claim on.

There are three types of claims which can be made: Participation, Measurement and Impact. FTM has outlined the steps needed for making the first two types of claims. (Additional information about these claims can be found in the annex of this document). The FTM Verification Protocol focuses on the third type of claim.

Impact claims must always be linked to a certain volume coming out of the project.

The process of making a claim and where the step of verification fits into it can be seen by the figure below.

# Examples of Claims

Different project actors will be able to make different kinds of claims, however all claims must be based on the volumes of raw material involved in the project.

Claims can include:

* Continuous improvement
* Responsible sourcing
* # of acres involved
* # of growers involved

Grower claims:

These are claims made by the growers, via grower associations or individual growers.

Split commodity claims:

In cases where derivatives from the same raw material are sold to multiple downstream actors that seek to make claims, actors making a claim must coordinate with FTM to ensure that individual claims are not overstated.

It is recommended that these downstream actors make joint claims, when different derivatives come from the same raw material. The claim must specify that there was more than one project participant. This would help avoid double counting from the part of the downstream actors whom each have different parts of the same raw product.

# Requirements

Requirements will differ depending on who is making what claim. However, in order for a claim to be verifiable every FTM project must meet the following basic requirements, and have the following elements documented:

* + - 1. Actor making claim must be listed as a sponsor of the associated FTM project at the time of making the claims request.
      2. Project owner must be a FTM member.
      3. All project sponsors must be FTM members.
      4. Project must be approved by FTM.

a. FTM required documents

* + 1. Communication plan
    2. Biannual fact sheets
    3. Project plan
    4. Multi-stake holder summary report
       1. Identified stakeholders;
       2. Outreach methods;
       3. List of stakeholders contacted;
       4. Feedback from stakeholders;
       5. Stakeholder meetings including topics, participants and dates/locations;
    5. Corrective Action plans (i.e.: continuous improvement plan) (after 3rd year)
  1. Verification required documents
     1. GRW ID list + associated shape files
     2. FA registry list: list of all FA involved in the project, as well as the FAs from which the downstream actor making a claim has bought this commodity from. The FAs listed should be found only within the region specified by the project.
     3. PO report
     4. A quality manual indicating the responsibility of parties including minimum qualifications for Project Specialists (including education and or years of experience, trainings required, procedures with regard to grower outreach and rollout, approval of Project Specialists etc).

4. Project stakeholders and involved parties should be active in the project.

5. Project owner must establish a privacy policy.

8. Project owner should have estimated or actual yields of product from project registered.

9. FA should have incoming volumes of project specific FTM product registered.

10. Project owner must define what kind of claim they will be making.

a. Which part of the supply chain does the claim encompass? (FA, Downstream brand, grower?)

11. How is the claim going to be presented? (On-product, Corporate Social Responsibility reports)

12. Project owner must define who the verifier and/or Project Specialist will be (Refer to Section 4a).

*The use of API or other data management systems for the gathering of data will be given a ranking. The levels of these rankings could in the future be reflected in the number of growers sampled to be interviewed during the verification process*. (See Section 2.)

The project owner must submit to FTM the corresponding documents annually and should additionally supply both FTM and the verifying body a copy of the FTM required documents as well as the verification required documents.

# Process of verifying claims

The PO is responsible for having all of the necessary documents and supply the information needed for the 3rd party verification to move forward.

After the verification, the verifier presents the verification report (outlined in the Verification Protocol Guidebook) to the project owner.

The diagram below shows the three systems that will be verified by the verifier. The QMS is outlined in Section 6. The System Data Management is described in Section 4, and still needs to be approved by FTM. The Claims and credits system is outlined in Chapter 5 of this document.

Verification

Verifiers role is limited (1) to verification of the systems in place by cross checking GRW ID lists, FA registry lists, required FTM documentation, qualifications of project personnel and conducting interviews with project technicians; and (2) to verification of the volume of the commodity existing within the project by cross checking actual or estimated yields found with the PO from the FPC with the volumes recorded by FAs involved in the project. The volume existing at the FA level cannot exceed the volume of actual or estimated yields calculated from the FPC.

Other verification systems check the actual data underlying the claims being made downstream, but this verification system looks at the quality of the data- rather than the accuracy of the data - coming into the FPC, which is later used for the claims. The accuracy of the data can only be checked by looking at grower documents, etc. The verifier will not have access to individual grower field-level data, and will only verify the quality and methodology of data collected and entered into the FPC (this data quality system is explained in Section 4).

Elements included in the verification of claims:

* Interview Project Specialist with regards to data input, project sponsor engagement, grower engagement, and continuous improvement plans and actions.
* Cross check FA registry list with actual FAs.
* Cross check volumes declared by FA with estimated/actual yields provided by PO (based on growers FPC input).
* Cross check FTM documents provided by PO with documents provided by Project Specialists.
* Cross check Project actors provided by PO with actual project actors (sponsors/partners).
* Cross check credits associated with each project, as reported by PO and actor making the claim, with FTM records of project specific credits.

# 4. Data Management Systems: Risk Assessment + Approval

For data entry, Project Owner must provide a detailed description of methods of grower outreach, trainings and workshops. (i.e.: Was there a Help Desk made available to growers in the project area? Can a number be ascertained as to number of growers using assistance?)

Data is input by growers into the FPC in various ways. Some growers do so manually while others rely on automated data insertion via Application Program Interfaces (APIs). Some data in the FPC can be automatically filled via national calculated averages. Automated systems leave less room for human error, while manual input leaves more room. However, for purposes of effecting change than more interaction with growers is recommended. National average data is not grower specific and thus is not ranked as the most valid method of entry. These different methods suggest different levels of data integrity and validity. The verification will not delve into the accuracy of the data itself, but will rank the method in which the data was collected.

Field to Market must first approve (recognize) any API system that will be used by growers in each project. Data input systems will be categorized as “Green”, “Orange” and “Yellow” based on the method of data collection involved:

Currently there is no desire to go to the farm/field level, but in the future, this ranking could be used to verify the data being input into the FPC. The ranking could dictate the sample size of growers to be interviewed for each project. The interview process would cover the engagement of the project, but also go over the data points being inserted into the FPC. In this case, FTM should enable grower/user to “opt-in” to sharing data with assigned verifier. Actual grower data will enable better verification and enable grower interviews to better focus on the quality of the data. The sample could be pulled from the growers who opted in.

Sampling Methodology:

The riskier the methodology of data input, the more growers that would theoretically be contacted.

The general calculation would be:

Square root of number of producers X multiplier, based on risk.

The individual risk factors are outlined in the table below:

Example:

If there are 70 cotton growers in the project, all of which have input their data manually, this would rank their data management system as yellow. The square root of 70 = 9 cotton growers who have opted in will be chosen for the verifier to interview, regarding the validity of the data that they have input, as well as the engagement levels of the project specialist.

For Data Output, the project owner must describe the process of data cleansing in detail. An explanation of the quality control procedures should be made available to the verifier noting the steps taken for identifying outlier data points, number of growers contacted for corrections, types of corrections made. The continuous improvement plans should be made after the 3rd year of the project’s implementation, at the latest. This will ensure that enough data is collected to ascertain needed improvements.

# 5. Accounting systems: Volumes and Credits

The two methods outlined below show options for how a FTM project could keep track of the volumes associated with each project and how the claims could be traced back to these volumes.

Both methods track the volumes related to claims back to the FA level, however the volumes that actors can base their claims on vary in each method. The first method should be used for projects that can trace real product back to the FAs, and the second method should be used for projects that use estimated yields as a method of tracking volumes. The first method offers a more direct link between the claim and the crop, while the second method offers more crop per project (region) from which to base claims on. For the following methods and examples we assume volume is tracked on a tonnage level. This could also be a bushel level or cotton bale level depending on the commodities commonly accepted volume unit.

# Method 1: Tracking Real Volumes

In this method, the volumes behind each claim can be tracked back to the FA level. This method uses a mass balance system to determine the volumes related to each claim. The FAs must flag and record the amount of volume coming in as well as the amount of volume sold to each downstream project actor. Claims made under this method have an actual tie between the claim and the volumes existing at the FAs. Although the FTM project specific crop becomes mixed with the conventional crop at the FA level, the mass balance system allows downstream actors to be able to make claims on crop bought from these FAs.

The downstream actors are bound by the actual volumes coming into the FAs, as to how much of that product they could buy within the region. It could be that a grower sells only a part of their crop to FAs in the region and involved in the project but these are the only volumes from which a claim could later be made.

1. Tracking the volumes:

**Yield x acreage = volume**

When the grower sells the crop to the FA, they must inform the FA to flag their volume as part of that particular FTM project. In this way, the FA can track how much incoming FTM crop they are receiving.

The FA should record which grower delivered FTM crop as well record *how much* FTM crop they have received over the course of the year. The FA does not need to disclose names to FTM or other project sponsors but will need to be able to show the grower list and related volumes of FTM projects to the verification body.

The FA must also communicate to the PO know how much crop related to that project is coming in, and the PO must also record it. The PO does not need to be informed of the names of the farmers- volumes would suffice.

The amount of crop recorded at the FA level, both by the FA and the PO, cannot exceed the amount of crop estimated to be at the project level. This value is based on assumptions of actual yields (based on information gathered from the FPC) or from estimated yields (also based on information gathered from the FPC). The amount of crop used as the basis for any claims cannot exceed the amount of crop recorded at the FA level.

\*

FA3

\* FA1

FTM

FTM

100 tons FTM crop

600 tons FTM crop

200 tons FTM crop

400 tons FTM crop

100 tons FTM crop

200 tons FTM crop

FA2

200 tons FTM crop

**500 tons of physical crop in FAs involved in project**

*800 tons of physical product at a project level,*

*but*

*500 tons at FA level.*

The diagram above illustrates the first method of tracking volumes for claims.

* The FA marked with a \* show all of the FAs involved in this project.
* The blue circles represent growers, and the circles with FTM show all the growers involved in this particular FTM project.

Although there are 800 tons of physical crop at the grower and project level, claims can only be made from the volumes delivered to the FAs working in that region/with that project:

Claims made by downstream actors could only be based on the 500 tons of raw material existing at the FA level.

The verifier would cross check:

1. The volumes coming into the FAs via documents supplied by the PO and the FA.
2. The volumes sold from the FAs to the downstream actors making claims.

The value of B cannot exceed the value of A, and must take into consideration the volumes associated with all other actors wishing to make claims on that same product.

# Method 2: Estimated Yields and Credits

In this method, the volumes would be tracked from the claim to the FA and the volume existing at a project level would be converted into credits from which the claims could be based. This system is a hybrid area mass balance and (closed) credit system. The total volumes found in a project are based on assumptions of actual yields (based on information gathered from the FPC) or from average yields (based on information gathered from the FPC or reputable source (i.e.: USDA)). The volumes would be translated into credits at the level of the FA. The claims made should be able to prove some kind of physical traceability of the raw commodity as well as some kind of partial link between the claim and the commodity.

\* FA3

\* FA1

FTM

FTM

100 tons FTM crop

600 tons FTM crop

200 tons FTM crop

400 tons FTM crop

**800 credits available for purchase**

100 tons FTM crop

200 tons FTM crop

\*

FA2

200 tons FTM crop

**500 tons of physical crop in FAs involved in project**

*There are 800 tons of FTM crop at the project level*

*but*

*500 tons of physical product at the registered FTM FA level.*

*Total volume (of project) = 800 tons*

*800 tons= 800 credits*

*Brand X can claim 800 FTM crop credits, and purchase conventional crop from any registered FTM FA within the region (i.e.: FA1, FA2, FA3).*

The diagram above illustrates the second method.

* The FA marked with a \* show all of the FAs registered in this project.
* The blue circles represent growers, and the circles with FTM show all the growers involved in this particular FTM project.

1. Tracking the volumes:

**Yield x acreage = volume**

The FTM involved growers are not required to sell all of their commodity to the FAs involved in the project but they must sell *some* of it to them.

The FA must know that they are receiving crop related to FTM projects, but they need not know *how much* volume is coming in. When the grower sells the crop to the FA they must inform the FA to flag their volume as part of that particular FTM project. In this way, the FA can keep track of the fact that they are indeed receiving FTM crop.

The FA should record which growers have sold them FTM project specific crop. This list of names will stay confidential but should be available for FTM to cross check with other project grower lists to ensure there is no overlap between farmers involved in projects (see section 4).

The FA should also keep track of which downstream actors they are selling to, as this list will later be cross checked with the list that the PO supplies showing which FAs are in the region and/or registered with the project.

The claims that downstream actors can make are based on the estimated or actual yields that exist for that project on a project level. For example, although a grower may only sell 1/3 of their product to the registered FAs in the region, the claims can be based on the full 3/3 of that grower’s acreage involved in that project. This is where the volume proxy becomes necessary.

\*

FA3

\* FA1

FTM

FTM

100 tons FTM crop

600 tons FTM crop

200 tons FTM crop

400 tons FTM crop

100 tons FTM crop

200 tons FTM crop

\*

FA2

200 tons FTM crop

**500 tons of physical crop in FAs involved in project**

*800 tons of physical product at a project level, 500 tons at FA level.*

1. Translating Volumes to Credits:

**Yield x acreage = volume**

**Volume = credits**

After verifying the volumes existing in the project (via FTM and the FPC) the PO must provide FTM with records of which FA they have purchased the crop from, that they are now claiming to be part of the project. The volume that they are claiming cannot exceed the amount estimated to exist at the project level.

The amount of crop existing at the project level gets translated into credits by FTM. These credits are then able to be claimed by downstream actors who were involved in the project’s execution.

* FTM converts project specific volumes into project specific credits.
* Only project owners, sponsors and partners can make claims on the volumes and credits involved in the project.
* Downstream project actors can purchase conventional crop from FA not involved in project, and still claim credits from the project.

\* FA3

\* FA1

FTM

FTM

100 tons FTM crop

600 tons FTM crop

200 tons FTM crop

400 tons FTM crop

**800 credits available for purchase**

100 tons FTM crop

200 tons FTM crop

\*

FA2

200 tons FTM crop

*FTM converts the overall 800 tons into 800 credits, redeemable only by project partners, owners and sponsors.*

*These downstream actors are free to purchase conventional crop from other FAs.*

The estimated total of 800 tons of crop involved in this project become 800 credits which can be claimed by any of the project members, regardless of which FA in the region they purchase from. The FAs from which they are purchasing from must match the FAs which had registered incoming FTM project specific crop. In this way, Project members (owners, partners and sponsors) can claim FTM credit, even when purchasing conventional crop so long as they prove (i) their engagement with the project, (ii) that the volumes they are purchasing from the FAs in the region reflect the total volume involved in the project.

Accounting System for split commodities:

What to do if the meal goes one place, and the oil some place else?

How to count the credits?

One option is to require that the project actors wishing to make a claim make only joint claims, specifying that the volume of raw product used to make the meal/oil was divided by more actors in the supply chain/project. (See section below, double counting products/partners.)

# Double Counting

The systems described above leave room for accounting errors which are addressed below. Double counting refers to the idea of counting credits, acres or claims more than once, resulting in a discrepancy between reality and the claims.

# Acres

To avoid fields being counted for multiple projects at a time the following three requirements will be followed:

1. Growers are allowed to enter 1 crop per project per year into the FPC.
2. Standardized and unique grower IDs will be created by FTM for each field associated with each project.
3. Growers involved in the project will enter field-shaped files which will be associated with those grower IDs.

These steps will prevent the overcounting of acres for each project. The shape files will allow FTM to make sure that similarly shaped files are not being used for multiple projects at the same time, thus continuing to ensure grower anonymity, while ensuring the integrity of number of fields enrolled in each project.

In the event that the above method cannot be employed (because of confidentiality issues or a current lack of infrastructure), the growers must not enroll the same acres in various projects. This could be ensured if the project owners supplied FTM with a list of growers and the GPS coordinates of their fields involved in each project, and FTM did a yearly review ensuring that no grower and/or GPS coordinates are found in two ongoing projects. During the verification process, the verifier would have access to this information.

# Products/Partners

To avoid different actors involved in the same project from claiming the same volumes and credits, all project actors must be in agreement with each other’s claims before making them public.

Depending on the type of claim being made, it might have to explicitly specify that they were cooperating with other actors in the supply chain to reach whatever claim they are making. This would be referred to as a co-claim. Although they must not state which actors they were working with, they must specify that the volumes they are claiming are not entirely in their possession. Because the credits are based on the total of volumes found within a project and not the total volumes linked to the FAs, it is imperative that all actors be able to make claims, but all their claims must still be valid.

Example: In the diagram from Section 5

Project actors (Brand X, Organization Y and Grower Association Z) wish to claim credits from the project but not all actors can claim 8000 credits as this would mean there were 24,000 credits in the project. Thus, claims from this particular project could sound like:

* Brand X: Purchased 4000 credits of FTM commodity via this project.
* Brand X: In cooperation with Organization Y and Grower Association Z, we have sourced 8000 tons of FTM commodity via this project, resulting in 2% less nutrient inputs on XX acres of farmland. (Co-Claim)
* Organization Y: Have worked together with Brand X and Grower Association Z to minimize nutrient input by 2% on XX acres of farmland.
* Grower Association Z: Via the FTM project, and with the cooperation of Brand X and Organization Y, we have reduced our nutrient input by 2% on XX acres of farmland.

# Volume Reconciliation

The process of volume reconciliation will ensure that there aren’t credits being claimed when there is no more physical tie with a product. It serves as a time limit on how long the volumes and credits can be claimed. The volume reconciliation should be done independently by FTM and the PO annually and would be reviewed at the time of verification. It should take place regardless of which method was used to track the volumes behind the claims. If the first method of tracking real volumes is used, there will be no virtual credits to reconcile. In these cases the volume reconciliation process will take into account only the real volumes recorded coming into and out of the FAs on a yearly basis.

The PO must keep track of how much volume is being exchanged between the actors involved in the project and the FAs. This should be checked on a yearly basis and compared every year to make sure that the volume being sold to (and claimed by) the project actors is equal or less than the total yields (volume) reported per project.

Actors cannot claim credits in a system where no more FTM product exists:

Method 1 (tracking real volumes): FA should have annual documentation on FTM project specific commodity coming in and how much overall volume they have going out (to the project specific actors).

Method 2 (tracking volumes and credits): FA should have annual documentation on FTM project specific commodity existing at the project levels, and which project actors they are selling to.

*This chart shows an example of the reconciliation process, where the growers are selling all of the FTM project specific crop to this one FA.*

*The column on the left has the year that the project is in, and how many tons of raw commodity the FA has sitting in its possession at the beginning of each year.*

*The black text follows the real volumes existing at a project level and being sold to this FA.*

*The red text follows the credits existing during every year. This amount is directly affected by how much raw commodity the FA has at the time of a downstream actor claiming credits. Notice in year 2 how the credits drop from 1.5 million to 400,000 because of the sale of 5.1 million tons, and no actors claiming the attached credits. Also notice how in year 3 there are more credits existing than actual FTM crop that came in.*

# 6. Quality Management System

This sections outlines the basic requirements and minimum qualifications that project specialists, verifiers and verification bodies must have before embarking on the project. These qualifications guarantee to the best of our ability that the actors involved in the project are the most adequate and well prepared for the responsibilities they are expected to carry out. The templates used for these processes can be found in the Verification Protocol Guidebook. It also has templates and documents to be used for the verifier during the verification process.

# a) Personnel Qualifications

Project owners employing Project Specialists and/or organizations to assist with the engagement and data collection must ensure that the following requirements are met.

**Project Specialists**

The Project Specialist’s role is to ensure that the farmer is inputting accurate data into the Fieldprint Calculator. Their responsibilities include fostering farmer relationships, and assessing whether the information recorded is accurately recorded.

Project Specialist education and work experience:

a) At least a post-high school (post-secondary education) diploma or equivalent (minimum course duration of 2 years) in a discipline related to the scope of the project (plant science, agronomy, soils, etc.)

AND

Minimum 2 years of experience post degree related to the agriculture industry.

OR

b) Minimum 5 years industry experience in technical production and/or management of agricultural crops.

Project Specialist Skills and Qualifications:

a) Practical training by Field to Market about the Field Print Calculator and instruction of use.

* 1. Account registration
  2. Data entry
  3. Metric interpretation
  4. Calculator deliverables
  5. Pilot administration

b) Knowledge of crop production, soil management, plant protection, fertilizer, irrigation technologies and energy systems on farm, as either part of a formal qualification or through successful completion of a formal course

c) Communication skills:

i. “Working language” skills in the corresponding local working language. This shall include the locally used specialist terminology.

ii. Having sufficient behavioral skills to assist the producers

d) Initial training:

i. Training by the project owner to ensure understanding of the project claim and specific metrics

ii. Knowledge of local laws and regulations as they relate to the scope of the fieldprint calculator inputs

iii. For a Project Specialist’s initial approval they will take part as an observer of at least one other project’s Project Specialist’s method of assisting the grower. In the case that there are no available or previous Project Specialists, the applicant Project Specialist can be accompanied by a member of Field to Market when during their first contact with the farmer.

e) Competencies:

i. The project owner must be able to demonstrate that the Project Specialist meets the requirements for approval

ii. project owners are responsible for registering Project Specialists and providing appropriate documentation regarding their qualifications, and keeping this registration updated when changes occur.

f) Conflict of Interest: Project owners and Project Specialists involved in the verification process must have signed contracts or agreements committing them to:

i. Avoiding any conflict of interest in the verification activities, with regard to services (such as agricultural input recommendations) provided to those involved in the project.

ii. Declaring any potential conflicts of interest to the project owner and FTM members when assigned duties related to a project participant.

iii. Be free from any commercial, financial or other pressures that might affect their judgment.

g) Confidentiality:

i. Maintain the confidentiality of all client specific information.

**Verification Body**

**Authority and Responsibility**

The verification body must abide by the accreditation requirements (See Appendix) which are necessary to address legal authorities that we believe are necessary for credible verification audits leading toward impact claims. This would include accessing records, conducting onsite audits and to issue, suspend or withdraw verification.

The organizational structure, ownership and personnel exercising authority over the verifier and verification body must be demonstrated.

If the third-party auditor/verification body is a legal entity that is wholly or partly owned

by a larger organization, the third-party auditor/certification body should clearly

document the activities, structure, and governance of that larger organization.

**Confidentiality**

Confidential information shall mean any oral or written propriety information that a party may acquire from the other party pursuant to the contract or information as to the business of the other party provided, however, that confidential information shall not include any information which is or hereafter becomes generally known to the public.

Confidential information is available to FTM by an approved third party. Unless required by the Accreditation Body’s accreditation procedures or by verification program, respectively applicable neither party nor their agents or subcontractors shall use the confidential information other than for the Contract nor disclose the other’s Confidential information to any person or entity without the prior written approval of the other party.

An approved verification body processes a lot of sensitive information and treats all information obtained during the verification and monitoring process, or from other sources, with the utmost caution. The verification body should release confidential information only as required by law and in accordance with the verification contract (see Guidebook) signed with FTM. The verification body warrants to the FTM that it maintains agreements with all its partners that receive confidential information ensuring that such information will not be disclosed publicly or to competitors.

The employees of the verification body have access to confidential information and related data in accordance with their individual roles within FTM. All verification body employees have signed a non-disclosure agreement as part of their employment contract with FTM. External verifiers’ access to confidential information is limited to their assigned roles. All external auditors have signed a non-disclosure agreement as part of their verifier contract with FTM (see guidebook).

A transparent flow of information is necessary among Project Owners, Project Sponsors, Project Partner, FTM and the verification body. All actors have signed a confidentiality agreement (see guidebook) which covers the legal ground for data transfers and confidentiality constraints. As such FTM be given access to the following by the verification body:

a) Volume

b) Suppliers and buyers of operators.

c) Project Owners have access only to the information concerning their own case.

d) Project Specialists only have access only to the information concerning their assigned regions.

**Capacity and Competence**

Capacity demands vary depending on a several factors such as the scope of accreditation and the volume of work. In general, an accreditation third party verifier/verification body seeking must demonstrate that it has the resources necessary to fully implement its third-party auditor program, including:

Adequate numbers of personnel (e.g., verifier agents, managers) with relevant knowledge, skills, and experience to effectively verify FTM impact claims.

Adequate financial resources for its operations.

To be adequate, resources should also include

1. Staff necessary to provide support services for the verification of claims and verification program and to oversee field activities and conduct quality assurance.
2. Resources, external to staff, to accomplish verification audits.
3. Resources necessary to properly maintain record
4. Resources necessary to ensure appropriate verifier competency
5. Resources for effective communication with FTM, project owners, partners, sponsors, accreditation bodies and regulatory authorities

**Conflicts of Interest**

A third-party auditor/certification body must demonstrate that it has the capability to meet the conflict of interest requirements through a written documentation protecting against conflicts of interest between verification body (and its officers, personnel, and other agents) and eligible entities certified or seeking certification.

Such a program should include measures for promoting independence, objectivity, and impartiality in verification activities and should include procedures for effectively identifying, investigating, and resolving conflicts of interest. The required elements of the written conflict of interest documentation is outlined in Appendix X.

Potential sources of conflicts of interest are as follows:

1. Technical assistance and verification

The line between technical assistance and verification must not be breached. The verifier is not permitted to offer any advice regarding actions that “should” be taken by any of the FTM actors. Objectivity training is a fundamental component of the verifier requirements. All training provided by the Verification Body must be public. The consultancy arm of the organization may provide trainings to particular project actors, however these activities can never be orchestrated in unison with the activities of the verification body.

It is the responsibility of all actors to report any instances of conflicts of interest regarding training.

1. Logo use and commercial pressures

Logos with the FTM seal should not be used by any of the project actors, nor should FTM use any “non-verified” Project Owner logos in promotional materials. The verification body cannot use FTM or project actors’ logos without prior permission on any promotional materials.

1. Verification together with scheme management/standard-setting

The Verification Body must take appropriate steps to separate consultancy on program development, and implementation of verification activities. These steps can include (but are not limited to):

1. Never having FTM verifiers double as FTM consultants
2. Separating consultancy services from verification services
3. Advocacy and conformity assessment

The verifier never engages in project actor advocacy, meaning the verifier will not advocate for practices or procedures. The verification body must follow the ISEAL Code of Good Practice, that ensures transparency and balanced participation in verification activities.

1. Political pressures (external and internal) and independent.

The verification process can never involve political influences. The verification body and verifier is completely non-partisan and is beholden only to the verification protocol in approach and execution of verification. The Verification Body must never display reluctance in verifying a particular organization because it is disliked or not trusted by the consultancy arm of that organization. The verification body must never consult with the consultancy arm with issues of interpretation of particular requirements.

**Quality Assurance**

The verification body must demonstrate the capability to meet the quality assurance requirements. These requirements include periodic self-assessment; the ability to quickly implement effective corrective actions (if areas needing improvement are identified) and preparation of written report in English of the results of the self-assessment.

**Records**

A third-party verification body seeking accreditation must demonstrate that it has implemented written procedures to establish, control, and retain records for a period necessary to meet its contractual and legal obligations and to provide an adequate basis for assessing its program and performance.

* Records procedures
* Written program to protect against conflicts of interests
* Documentation of competence

**Verifiers**

A verifier must be approved by Field to Market prior to any verification work. Only those individuals and organizations approved by Field to Market may be employed as verifiers.

All verification organizations must be experienced in sustainability audits and have implemented their own ISO 17021 quality management systems.

The verification body employees will sign a code of conduct. This is done for purposes of accreditation. Verifiers employed by the verification body cannot be partners of the verification body nor related companies. The system of payment by clients is such that prevents certification decisions to be influenced by money.

Verifier Qualifications:

All 3rd party verifiers whether individuals or employees of organizations shall have at a minimum the following qualifications:

a) Practical training by Field to Market about the Fieldprint Calculator and instruction of use.

* 1. Account registration
  2. Data entry
  3. Metric interpretation
  4. Calculator deliverables
  5. Pilot administration

b) Knowledge of crop production, soil management, plant protection, fertilizer, irrigation technologies and energy systems on farm, as either part of a formal qualification or through successful completion of a formal course

c) Competencies: The verifier must have experience in sustainable agriculture and or sustainability programs or related areas.

d) Conflict of Interest: Project owners and verifiers involved in the verification process must have signed contracts or agreements committing them to confidentiality.

i. Avoiding any conflict of interest in the verification activities, with regard to services (such as agricultural input recommendations) provided to those involved in the project.

ii. Declaring any potential conflicts of interest to the project owner and FTM members when assigned duties related to a project participant.

iii. Be free from any commercial, financial or other pressures that might affect their judgment.

g) Confidentiality: Maintain the confidentiality of all client specific information.

# Verifier’s Tools

The verifier will not have access to individual grower data, so they will not be able to verify if the data input for the FPC and/or the data output via the FPC was accurate or not. However, they will be able to qualitatively verify the method in which the data was gathered, and what was done to engage the growers and enable a more sustainable production method.

Project specialist interview: The project specialist will be interviewed to ensure that the level of engagement with the growers of the project was to the level described in the FTM required documents (communication plan, etc.). The verifier should check documents like phone records, pictures, project plans, the project specialist field activity checklist, and use the questions in the interview to analyze the level of involvement that the project specialist had with the project. The field activity checklist goes over the activities that the project specialist was involved with, how much time was spent on each one, and which other actors the activities included. The interview questions are used to gather qualitative information about the execution of the project. This qualitative information should later be included in the verification report. The interview also covers the area of data output- i.e.: how did the technician decipher the FPC data calculations? And what was done in order to enable a more sustainable production method?

# ANNEX I: Participation and Measurement Claims

**Participation and Measurement Claims:**

Participation can be done with less than one year of data.

Example- Company X is involved in FTM project with 35 growers….

Requirements:

1. Project owner must be a member of FTM

2. Project must be approved by FTM

a. Project plan must be made

- metrics, scope, grower base, goals and objectives identified

b. Project stakeholders and involved parties should be identified and active in the project

c. communication plan must be made

3. Participation claim can be made after the project has begun.

Examples- 700 tons of corn involved in FTM project X was purchased by brand X.

Steps to take:

1. Project owner must be a member of FTM

2. Project must be approved by FTM

a. Project plan must be made

- metrics, scope, grower base, goals and objectives identified

b. Project stakeholders and involved parties should be identified and active in the project

c. communication plan must be made

3. Calculate the risk of each claim by verifying data collection method via interviews (Refer to Section 3):

i. Directly via growers using FPC: Yellow level

ii. Approved software/API: Green level

iii. Others: Orange level

* Sampling based on this rank

Sampling Methodology: Square root of number of producers or square root x multiplier (based on risk).

* I.e.: If there are 70 cotton growers, 9 cotton growers will be chosen for the Project Specialist to visit and review the data they are inputting into the FPC.

Claims that can be made:

(To be defined by FTM)

Verifier validates the data found in the FPC via a sampling of individual producer information who opt in.

5. Verifier records the outcome of the accuracy of the data collected.

6. Verifier provides report of data accuracy to the project owner.

- Report will include any discrepancies found between the farmer’s data input and their records.

7. Project owner reports to FTM.

8. FTM approves claim.

*For projects based on data not yet gathered by FPC:*

4. Project Specialist is used to go into the field and assure the validity of the farmer’s FPC data input. A sample of farmers involved in the project is selected, and the Project Specialist visits them in the field to assist with the process of data input. Project Specialist ensures that the data being input is accurate and based on documentation found in item 1.

Sampling Methodology: Square root of number of producers or square root x multiplier (based on risk) of volume.

* If there are 70 corn growers, 9 corn growers will be chosen for the Project Specialist to visit and review the data they are inputting into the FPC.

5. Project Specialist provides verifier and project owner with a report on data collected.

- Report should include field notes and any reported discrepancies/issues that were found.

6. Project owner reports to FTM.

7. FTM approves claim.

# ANNEX II: Protocol for Late Actors

In order for late actors to join a project, they must submit their involvement plans to the project owner via the documents described in the Late Actor Checklist.

|  |  |
| --- | --- |
| **Documents** | **Description** |
| Project Plan | *This document should outline the motivations behind the late actor joining the project, as well as what role and involvement the new project sponsor will have within the project.* |
| Support | *Document showing what kind of support the late actor will be contributing to the project (financial, technical, on the ground, etc.)* |

The documents described in the checklist must be approved by the project owner. The new project sponsor can then be declared to FTM as a new member of the project.

An actor cannot make a claim unless they are registered as part of the project once the claims process has begun.