

Cost & Fee Structure

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The Regenerative Organic Alliance (ROA) has established competitively priced program fees for the Regenerative Organic Certified[™] (ROC[™]) program in a manner that is accessible to farms of all size and scope. The ROA values our global community of regenerative organic producers and aims to establish a financially accessible, transparent fee structure. All available resources will be utilized to support farmers on the journey to regenerative organic.

While costs will vary depending on the size and scope of the operation, geographic location, projected production value, and product claims, the value proposition of the ROC[™] trademark is high. This document outlines the estimated certification costs for farmers, processors, brands, supply chain actors, and certification bodies.

The ROA may charge additional fees for expedited services, unexpected international compliance issues, currency/exchange rate costs, or specialized shipping documents. We want to ensure that both producers and brands are charged fairly for ROC and that ROC remains accessible. If the ROC fee structure changes, operations that apply for ROC will be subject to the fees and costs associated with the published document at the time of their acceptance into the program.

Cost of ROC for Farmers & Processors

Application costs: Applicants are responsible for a one-time fee paid directly to the ROA at the time of application. See the chart below. This one-time application fee covers the costs

for the ROA to review application, determine eligibility, estimate annual fee, and customize the Regenerative Organic System Plan and corresponding Certifier work order. The ROA offers limited technical support to help farmers navigate the application process and get on the journey to ROC.

Operation Type/Size	Application Fee
<5 distinct parcels	\$350
>5 distinct parcels, not a grower group	\$550
Grower groups	\$750

Other audit and certification costs: All other costs of audit and certification are paid to the ROC-approved certification body (CB) of choice. The ROA does not regulate these costs. These costs include a flat-rate, annual ROC certification fee that is based on a percentage of the projected Gross Regenerative Organic Production Value (GROPV) of the farm. Processors are also responsible for a flat-rate, annual ROC certification fee based on GROPV of processed goods minus the cost of GROPV crops. See chart below.

Additional fees: Operations in the Global North are not required to obtain an additional Social Fairness certification and instead will be audited to the Social Fairness Pillar of the ROC Framework. There is an additional annual ROC Social Fairness certification fee that will be assessed based on the complexity of the operation.

Dairy Operations at the Bronze level are not required to obtain an additional Animal Welfare certification and instead will be audited to the Animal Welfare Dairy criteria of the ROC Framework. There is an additional annual ROC Animal Welfare fee that will be assessed based on complexity of the operation. Dairies eligible for Silver or Gold ROC status must hold a recognized animal welfare certification and will not be charged the additional fee.

Costs for Supply Chain Actors and Brands

The ROC supplier database tracks all ROC certified producers and products available around the globe. The ROA will promote the ROC seal in the marketplace, educate consumers and producers on the benefits of regenerative organic farming, develop the data repository for soil test results, collect key performance indicators, measure impact, and create communication tools to raise public awareness.

The ROA requires a one-time **Registration Fee** from supply chain actors that directly benefit from our certification. It is collected from businesses in the middle of the supply chain. This fee covers the review of the Social Fairness Affidavit (available at

RegenOrganic.org/Resources) that supply chain actors must submit. The fee amount is based on the volume of all company transactions of ROC crops.

Brands pay a **Licensing Fee** based on a percentage of the estimated total production value of the ROC crop. Royalties are collected whenever companies place a claim that a crop is ROC. Brands are required to register as ROC brands, submit a Licensing Agreement, and follow Terms of Use for all labeling claims. See Labeling Guidelines (available at RegenOrganic.org/Resources) for more details.

Costs for Certification Bodies

Certification bodies work directly with NSF International for approval. Review and approval of certifiers is based on requirements outlined by <u>ISO/IEC 17065</u>. NSF fees for approving certifiers are not dictated by the ROA. Approval by NSF as ROC Program Manager is a pre-requisite for conducting ROC add-on audits by an approved certification body.

Regenerative Organic Certification Fee Schedule

Registration Fee for Supply Chain Actor (broker, co-packer, etc)	Starting at \$500; subject to increased fee based on volume and complexity of operations
Licensing Fee for Farms & Processors	0.1% GROPV*
	(Processors subtract the cost of GROPV
	goods purchased)
	Capped at \$10,000
	0.2% GROPV*
Licensing Fee for Prende	(Brands subtract the cost of GROPV
Licensing Fee for Brands	goods purchased)
	Capped at \$100,000

*Gross Regenerative Organic Production Value is the estimated market value of the ROC crop or product produced by an operation.

Sample Fee Chart

GROPV (Gross Regenerative Organic Production Value)	e for FARMS and PROCESSORS f average GROPV in category (\$10,000 cap)	.2 GRC	e for BRANDS % of average DPV in category 100,000 cap)
<\$200,000	\$ 200.00	\$	400.00

farms/processors >50,000,000 for brands	CAP	\$10,000.00	CAP	\$100,000.00
>10,000,000 for				
9,000,001-10,000,000	\$	9,500.00	\$	19,000.00
8,000,001-9,000,000	\$	8,500.00	\$	17,000.00
7,000,001-8,000,000	\$	7,500.00	\$	15,000.00
6,000,001-7,000,000	\$	6,500.00	\$	13,000.00
5,000,001-6,000,000	\$	5,500.00	\$	11,000.00
4,000,001-5,000,000	\$	4,500.00	\$	9,000.00
3,000,001-4,000,000	\$	3,500.00	\$	7,000.00
2,000,001-3,000,000	\$	2,500.00	\$	5,000.00
1,000,001-2,000,000	\$	1,500.00	\$	3,000.00
900,001-1,000,000	\$	950.00	\$	1,900.00
800,001-900,000	\$	850.00	\$	1,700.00
700,001-800,000	\$	750.00	\$	1,500.00
600,001-700,000	\$	650.00	\$	1,300.00
500,001-600,000	\$	550.00	\$	1,100.00
450,001-500,000	\$	475.00	\$	950.00
400,001-450,000	\$	425.00	\$	850.00
350,001-400,000	\$	375.00	\$	750.00
300,001-350,000	\$	325.00	\$	650.00
250,001-300,000	\$	275.00	\$	550.00
201,000-250,000	\$	225.00	\$	450.00

Examples

Pumpkin Preserves and Big Horn Gourds Farm

Pumpkin Preserves is a brand that sells pumpkin jams, pumpkin butters, and pumpkin purees. They source all of their product from Big Horn Gourds Farm, a Regenerative Organic Certified Gold farm based in Mexico. Big Horn Gourds Farm sold their entire crop to Pumpkin Preserves for \$150,000. Therefore, the Gross Regenerative Organic Production Value is \$150,000. Since Big Horn Gourds falls below the minimum, they will pay a flat-rate annual fee of \$200.00. Next season, if their GROPV increases to \$250,000.00, their annual fee will increase to \$225.00.

Pumpkin Preserves' overall sales or GROPV of ROC Pumpkin Preserves is \$600,000 and they paid \$150,000 to Big Horn Gourds. Therefore, their annual ROC Brand Licensing fee will be calculated off \$600,000-\$150,000=\$450,000. According to the fee table, their ROC certification fee will be \$850.

Mantra Milk and Clearwater Farm

Mantra Milk is a regional dairy brand that sells fluid milk and butter. They source all of their dairy from Clearwater Farm, a Regenerative Organic Certified Silver farm that also requires ROC social certification. Clearwater Farm GROPV is \$800,003.00. Clearwater Farm will pay an annual fee of \$850.00, plus the added ROC social certification fee of \$500.00. Their total annual amount due to ROC is \$1,350.00.

Mantra Milk's GROPV is \$2,300,000.00. They paid Clearwater Farm \$800,003.00 for their ROC milk. Therefore, their annual ROC Brand Licensing fee will be calculated off \$1,499,997 (\$2,300,000 minus \$800,003). According to the fee table, their ROC certification fee will be \$3,000.