



Cost & Fee Structure

Table of Contents

- 1.0 Introduction 1
- 2.0 Definitions..... 2
- 3.0 Cost of ROC™ for Farmers & Processors 3
- 4.0 Costs for Supply Chain Actors and Brands 4
- 5.0 ROC™ Fees 5
- 6.0 ROC™ Fee Chart 5
- 7.0 Examples..... 6

1.0 Introduction

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 fees and certification costs for farmers, processors, brands, and supply chain actors.

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, and that ROC remains accessible. If the ROC Cost & 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.

2.0 Definitions

Brand owner: A brand is a name, term, design, symbol, or any other distinctive feature that identifies a product as distinct from other products. The brand owner is a person or company who sells any commodity under a registered brand label. For the purpose of this document brokers, finished goods manufacturers, or wholesalers making a ROC claim under a brand name will be referred to as brand owners. Brand owners will be referred to as brands throughout this document.

Certification level: The ROC™ level to which a product is certified, i.e. Bronze, Silver, or Gold.

Certified product: Raw material and/or packaged or processed goods that are certified under the Regenerative Organic Certified™ (ROC™) program that is eligible for and intended to carry labeling claims.

Chain of custody: The set of practices and documentation required to ensure that certified product (i.e. ROC plant or animal products) is segregated, identifiable, and traceable throughout the supply chain. Post-farm processors and handlers must maintain the proper chain of custody standards in order for a final consumer product to carry ROC™ claims.

Claimed material: The portion of a product that is intended to be used and eligible for ROC™ claims; see certified product.

Governing Documents: The Governing Documents consist of the ROC Framework and all documents listed as Governing Documents on RegenOrganic.org/Resources, such as Approved Baseline Certifications, Cost & Fee Structure, Labeling Guidelines & Terms of Use, etc.

Handler: Any person engaged in the business of selling, processing, or packaging agricultural products except for final retailers that do not process agricultural products.

Operation: A producer that has applied for or achieved ROC certification status and is making a ROC claim. The farm or ranch that grows or raises crops, botanicals, and/or animals to be used for a food, cosmetics, or textile product. The first stage in the raw material supply chain.

Processing: Any stage in the supply chain where raw materials (i.e. plant or animal products) from the producer are modified. Processing may include activities such as slaughter, milling, cooking, or mixing and packaging raw materials into a final product. Processing may occur at a separate facility or on-farm. If the latter, then the farm or ranch is both producer and processor.

Producer: The farm or ranch that grows or raises crops, botanicals, and/or animals to be used for a food, cosmetics, or textile product. The first stage in the raw material supply chain.

ROC marks: Refers to the Regenerative Organic Certified™ name and all other trademarks, certification seals, logos, or any other proprietary designations owned by the Regenerative Organic Alliance.

Supply chain: Any steps taken to deliver food, fiber, or botanical products from the farm to the end consumer. Raw agricultural materials are transformed into saleable goods by processing, packaging, transporting, storing, or distributing to final sales outlets.

3.0 Cost of ROC™ for Farmers & Processors

3.1 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 cost for the ROA to review the application, determine eligibility, estimate annual fee, and customize the Regenerative Organic System Plan (ROSP) and corresponding Certifying Body (CB) work order. The ROA offers limited technical support to help applicants 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

3.2 Other Audit & Certification Costs

All other costs of audit and certification are paid to the ROC Approved CB of choice. The ROA does not regulate these costs. The CB, on behalf of the ROA, will collect the ROC annual fee that is based on the percentage of the projected Gross Regenerative Organic Crop Value (GROCV) of the farm. Processors, applying for certification as part of a ROC Gold level supply chain, are also responsible for paying the ROC annual fee based on Gross Regenerative Organic Product Value (GROPV) of processed goods minus the cost of the certified goods. See chart below.

3.3 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.

3.4 Gross Regenerative Organic Crop Value (GROCV)

The Gross Regenerative Organic Crop Value (GROCV) is the estimated crop value in US Dollars (USD) of the ROC crop. For example, if a farm is selling crops to a processing facility, then the fee would be based off the value that the processing facility pays for the certified crop. The ROA accepts estimates for GROCV and requires that these numbers be updated annually.

3.5 Annual Fee Waiver

The ROA will waive the ROC Annual Fee for 501(c)3 non-profit farms who donate a significant portion (>50%) of their produce to support and feed the community. Please inquire about your eligibility by reaching out to info@RegenOrganic.org.

4.0 Costs for Supply Chain Actors and Brands

4.1 Registration Fee

The ROA requires a one-time **Registration Fee** from supply chain actors that directly participate in the supply chain of a certified crop and/or product. It is collected from businesses in the middle of the supply chain. This fee covers the ROA's time to cross check and confirm the supply chain actor's role in a ROC supply chain. All supply chain actors should review the Supply Chain Guidelines in full for more details on any applicable requirements and responsibilities. The Supply Chain Guidelines can be viewed at RegenOrganic.org/Resources.

4.2 License Fee

Brand owners pay a **License Fee** based on a percentage of the Gross Regenerative Organic Product Value (**GROPV**), the estimated total product value of the finished good. Royalties are collected whenever companies place a claim that a good contains certified crops or ingredients. Brands are required to submit a License Agreement, Claimed Material & Product Formulation Worksheets, Supply Chain Maps, and follow the Labeling Guidelines & Terms of Use for all labeling claims. A sample Supply Chain Map is included in the Claimed Material &

Product Formulation Worksheet. The Labeling Guidelines & Terms of Use, License Agreement, and worksheets are available at RegenOrganic.org/Resources.

4.3 Gross Regenerative Organic Product Value (GROPV)

The Gross Regenerative Organic Product Value or GROPV is the retail value in US Dollars (USD) of the Regenerative Organic Certified product, minus the cost of the raw ROC crop/material. See Section 5.5 for examples. The ROA accepts estimates for GROPV and requires that these numbers be updated on an annual basis. Brands can use the Cost & Fee Worksheet available at RegenOrganic.org/Resources to estimate their fees.

5.0 ROC™ Fees

Registration Fee for Supply Chain Actors (miller, co-packer, etc)	\$100 (one-time fee)
Annual Fee for Farms	0.1% GROCV Capped at \$10,000
Annual Fee for Processors* *Gold Level Only	0.1% GROPV (Processors subtract the purchase cost of certified product) Capped at \$20,000
License Fee for Brands	0.2% GROPV (Brands subtract the purchase cost of certified product) Capped at \$100,000

6.0 ROC™ Fee Chart

Gross Regenerative Organic Certified™ Value	Annual Fee for FARMS .1% of average GROCV in category (\$10,000 cap)	Annual Fee for PROCESSORS .1% of average GROCV in category (\$20,000 cap)	License Fee for BRANDS .2% of average GROPV in category (\$100,000 cap)
<\$200,000	\$200.00	\$200.00	\$ 400.00
201,000-250,000	\$ 225.00	\$ 225.00	\$ 450.00
250,001-300,000	\$ 275.00	\$ 275.00	\$ 550.00
300,001-350,000	\$ 325.00	\$ 325.00	\$ 650.00
350,001-400,000	\$ 375.00	\$ 375.00	\$ 750.00
400,001-450,000	\$ 425.00	\$ 425.00	\$ 850.00
450,001-500,000	\$ 475.00	\$ 475.00	\$ 950.00
500,001-600,000	\$ 550.00	\$ 550.00	\$ 1,100.00

600,001-700,000	\$ 650.00	\$ 650.00	\$ 1,300.00
700,001-800,000	\$ 750.00	\$ 750.00	\$ 1,500.00
800,001-900,000	\$ 850.00	\$ 850.00	\$ 1,700.00
900,001-1,000,000	\$ 950.00	\$ 950.00	\$ 1,900.00
1,000,001-2,000,000	\$ 1,500.00	\$ 1,500.00	\$ 3,000.00
2,000,001-3,000,000	\$ 2,500.00	\$ 2,500.00	\$ 5,000.00
3,000,001-4,000,000	\$ 3,500.00	\$ 3,500.00	\$ 7,000.00
4,000,001-5,000,000	\$ 4,500.00	\$ 4,500.00	\$ 9,000.00
5,000,001-6,000,000	\$ 5,500.00	\$ 5,500.00	\$ 11,000.00
6,000,001-7,000,000	\$ 6,500.00	\$ 6,500.00	\$ 13,000.00
7,000,001-8,000,000	\$ 7,500.00	\$ 7,500.00	\$ 15,000.00
8,000,001-9,000,000	\$ 8,500.00	\$ 8,500.00	\$ 17,000.00
9,000,001-10,000,000	\$ 9,500.00	\$ 9,500.00	\$ 19,000.00
>10,000,000 for farms/processors >50,000,000 for brands	CAP \$10,000.00	CAP \$20,000.00	CAP \$100,000.00

7.0 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™ Bronze farm based in Mexico. Big Horn Gourds Farm sold their entire crop to Pumpkin Preserves for \$150,000. Therefore, the Gross Regenerative Organic Crop 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 GROCV 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 License fee will be calculated off \$450,000 (\$600,000 minus \$150,000). According to the fee chart, their ROC License Fee will be \$850.

Mantra Milk and Clearwater Farm

Mantra Milk is a USA Midwest 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 GROCV 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 the ROA 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 License Fee will be calculated off \$1,499,997 (\$2,300,000 minus \$800,003). According to the fee chart, their ROC License Fee will be \$3,000.

Delia's Delights and Clearwater Farm

Delia's Delights is a local candy brand that sells caramels and chocolates. They source all of their dairy from Clearwater Farm, a Regenerative Organic Certified™ Silver farm that also requires ROC social certification. Clearwater Farm GROCV 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 the ROA is \$1,350.00.

Delia's Delights only uses Clearwater Farm dairy in their caramels and ROC Silver dairy makes up 50% of the product material by weight. They sell each caramel for \$3.00 and they estimate they will sell 100,000 caramels in the coming year. Delia's GROPV is \$150,000. They paid Clearwater Farm \$10,000.00 for the ROC dairy. Therefore, their annual ROC Brand License Fee will be calculated off \$130,000 (\$140,000 minus \$10,000). According to the fee chart, their ROC License Fee will be \$400.