



# Cost & Fee Structure

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## 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 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 fees and certification costs for farmers, brands, and processors.

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. Brands are essential in paving the path forward in this movement by committing to pay premiums and license fees and ensuring that increases in ROC product costs are not pushed back onto the farmer. Farmers should not be made to pay for the other actors in the products supply chain making ROC claims. This means that brands and finished goods manufacturers should not devalue a farm's commodity to offset their costs for ROC. 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.

## 1.1 Who needs to license?

Organizations, including but not limited to brand owners, brokers, and finished goods manufacturers, selling a certified product who intend to make a ROC claim are required to secure a License Agreement with the ROA to become a ROC Licensee. Any operation who has not achieved ROC by an ROA approved CB and intends to use the ROC marks must follow the Labeling Guidelines & Terms of Use and receive prior approval from the ROA before using any ROC marks.

## 1.2 Who needs to register?

All Supply Chain Actors, that are a major stage in the supply chain, are required to register with the ROA to maintain ROC eligibility of the product if they are not making ROC marketing claims on the product or consumer facing label. Examples of this would include toll processors, fee for service processors, or co-manufacturers who do not take legal title of the product or ingredients.

## 2.0 Costs for ROC Producers

A producer will incur the following fees when applying for ROC:

- One-time, non-refundable application fee
- Any associated Certifying Body (CB) fees
- Annual ROA fee based on estimated crop value
- Additional fees, if applicable

### 2.1 Application Fee

Applicants are responsible for a one-time, non-refundable fee paid directly to the ROA at the time of application. See the chart below. This application fee covers the cost for the ROA to screen the application, determine eligibility, customize the Regenerative Organic System Plan (ROSP), create client account in myROC, issue the Certifying Body (CB) a work order, and issue certificate/license to use ROC marks. The ROA offers limited technical support to help applicants navigate the application process and on the journey to ROC.

| Operation Type/Size | Application Fee |
|---------------------|-----------------|
|---------------------|-----------------|

|   |            |
|---|------------|
| <5 distinct parcels                     | \$350 USD  |
| >5 distinct parcels, not a grower group | \$550 USD  |
| Grower groups                           | \$1000 USD |

## 2.2 CB Audit & Certification Costs

The applicant will select a ROA approved certifying body (CB) for the certification process. The fees assessed by the CB will be charged directly to the applicant and are in addition to the one-time application fee and annual fees assessed by the ROA. The CB fees are not regulated by the ROA.

## 2.3 Annual ROA Fee for Producers

The ROA charges an annual fee that is based on the estimated gross revenue 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 gross revenue and requires that these numbers be updated annually based on sale. The Fee is .1% of your estimated gross revenue, or the minimum fee of \$250, whichever is greater.

The Annual ROA Fee covers the ROA producer's license fee. There is no separate license fee for certifying operations.

## 2.4 Additional Fees

Eligible 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 ROA Social Fairness fee that will be assessed on a case-by-case basis depending on the complexity of the operation and an assessment of the level of risk associated with the operation. This fee will range from \$500-\$1,000 annually. Social Fairness complexity is based on number of locations, number of workers, employment types and employment arrangements,

*Dairy Operations at the Bronze level* are not required to obtain an additional Animal Welfare certification and instead will be audited to the ROC Animal Welfare Dairy criteria. The additional annual ROA Animal Welfare fee is assessed on a case-by-case basis depending on the complexity of the operation and costs \$250-500 annually. Complexity for animal welfare is based on factors such as number of production and handling locations, number of animals and animal groups, and management system. Dairies eligible for Silver or Gold ROC status

must hold a recognized animal welfare certification and will not be charged the additional ROA Animal Welfare fee.

## 2.5 Annual Fee Waiver

The ROA will waive the Annual ROA Fee for 501(c)3 non-profit farms who donate a significant portion (>50%) of their produce to support and feed the community. Farms that advance the return of historically marginalized farmers to the land or have established educational internship programs teaching regenerative organic practices are encouraged to inquire about fee waivers. Please inquire about your eligibility by reaching out to [info@regenorganic.org](mailto:info@regenorganic.org).

## 3.0 Costs for ROA Licensees

### 3.1 Annual ROA License fee for Brands

A brand that is both brand owner and finished goods manufacturer making ROC claims will submit a license agreement with the ROA. There is a \$1,000 annual membership cost for companies with \$2 million in gross annual sales. The licensing fee is .2% of ROC sales, or flat fee of \$400, whichever is greater. In the initial year of licensure ROA will accept estimates sale values. Subsequent years will be based on actual sales.

Private Label brand owners will submit a Private Label License Agreement and an annual \$1,000 membership cost for companies with over \$2 million in gross annual sales.

Private labels brand owners are expected to transparently communicate the retail value of the finished good to their finished goods manufacturer. This information must be sufficient to enable the license finished goods manufacturer to calculate the gross retail revenue. Private label brand owners are required to pay for increases in supply chain production costs incurred by the finished goods manufacturer for ROC.

### 3.2 Annual ROA License Fee for Finished Goods Manufacturers

The last actor in a supply chain to process and package finished goods into a product with ROC claims will sign a License Agreement. The finished goods manufacturer will pay a license fee based on the gross revenue of the estimated **retail price** of finished goods. Fees are collected whenever companies place a claim that a product contains certified crops or ingredients. Reference Supply Chain Guidelines for additional documentation to submit.

The annual license fee is .2% of ROC sales, or flat fee of \$400, whichever is greater. In the initial year of licensure ROA will accept estimates sale values. Subsequent years will be based on actual sales.

### **3.3 Annual ROA License Fee for NOP-exempt Supply Chain Actors that own and market ROC product**

The ROA requires any supply chain actor who comes into ownership of ROC product and then markets product as ROC to sign a license agreement. All supply chain actors should review the Supply Chain Guidelines in full for more details on any applicable. A supply chain actor that would normally be exempt from holding organic certification but does come into ownership and markets product as non-retail ROC products would sign a license agreement and pay the .1% fee based on their product value.

### **3.4 ROA Label Review Fee**

Labels carrying any type of permissible ROC claim will be reviewed and approved prior to use. For labels reviewed and approved by the ROA, a \$50 fee per label will be assessed.

## **4.0 Cost for ROA Registrants**

### **4.1 Registration Fee**

The ROA requires an annual registration fee of \$100 USD for all ROC commodity handlers in the supply chain between the Producer and the Finished Goods Manufacturer unless they would otherwise License. Registration is intended for handlers that do not own or openly market products as ROC. 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.