
Sustainable Rice Platform Chain of Custody (CoC) Policy and Standard



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Version information

This document has been revised from SRP CoC Policy and Standard v 2.0 to incorporate stakeholder feedback. It has undergone a thorough review and was approved by the SRP Technical Committee in June 2023.

Disclaimer

The views expressed in this document are those of the Sustainable Rice Platform and do not represent the official position of individuals or organizations involved its drafting.

About the Sustainable Rice Platform (SRP)

The Sustainable Rice Platform e.V. (SRP) is a global multi-stakeholder alliance comprising over 100 institutional members from public, private, research, civil society and the financial sector. Co-convened by the International Rice Research Institute (IRRI), the United Nations Environment Programme (UNEP) and private sector partners. SRP works with its members and partners to transform the global rice sector by improving smallholder livelihoods, reducing the social, environmental and climate footprint of rice production, and by offering the global rice market an assured supply of sustainably produced rice.

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Main Changes from January 2022 Version 2.0

The table below summarizes the main changes made to the SRP Chain of Custody Policy and Standard version 2.0 published in January 2022.

Section	Change
Glossary	<p>Revised "<i>claim category</i>" definition:</p> <p>DELETED: the type and claim being tracked within the CoC control system. Where the Organization's CoC system is Identity Preservation, the claim category will include both the SRP verification status of the rice and the farmer or producer group from where the rice has been sourced. In instances where the Organization's CoC system is Segregation, the claim category will include 'SRP-Verified rice'.</p> <p>NEW: Reference to SRP rice products and sourcing of SRP Verified Rice products. Claims may be made on-product or off-product, in relation to marketing or sale of the product. Claims may be made for both business-to-business and business-to-consumer levels. Three categories of claim are available, based on the Chain of Custody model selected: Identity Preservation, Product Segregation or Mass Balance.</p>
Glossary	<p>DELETED: "Sustainability characteristics": sustainability characteristics refer to whether or not a consignment of paddy, milled rice and any other rice by-product, complies partly or fully with SRP environmental, social and economic criteria. When residues and waste are produced, in addition to the main product, sustainability characteristics shall equally apply to all.</p>
Glossary	<p>DELETED: Transaction Certificate definition</p>
1.2.3	<p>DELETED: applies to any Participating Operator purchasing, handling and/or trading SRP-Verified rice.</p>
1.3.1 – 5) i.	<p>MODIFIED: Receive updated SRP CoC tools and information on database access.</p>
2.1.2	<p>NEW: Companies producing and selling SRP-Verified rice may only market a SRP-Verified product having successfully been issued with a Verification Statement of CoC compliance by an authorized SRP CoC Verification Body. <i>(in accordance with SRP Assurance Info Note No.2)</i></p>
2.1.5 – b)	<p>MODIFIED: Multi-site Participating Operator: An entity that administers two or more sites where trading or processing of a SRP-Verified rice product takes place. It is the entity that signs the agreement with an authorized Verification Body and takes responsibility for development, implementation and maintenance of the producer group's internal management system and for verification of each individual site's compliance with the Chain of Custody Policy and Standard.</p>
2.1.6	<p>NEW: Multi-site Participating Operators (PO) may apply for a CoC Multi-site audit to any SRP Authorized Verification Body under the following conditions:</p> <p>a) The Multi-site system administrator shall define the geographic</p>

	<p>area, the number and identity of sites, the supply chain model and the types of operations covered by the scope of their multi-site Chain of Custody system.</p> <p>b) The SRP supply chain model of a representative sample from the participating site shall be reviewed and verified by the VB during the verification audit.</p> <p>c) The Multi-site system administrator acting as Internal Management System (IMS) office is considered as a participating site and shall always be part of the sampled site.</p> <p>d) A Multi-site system administrator that has a processing and handling site is counted as a Participating Site with physical possession, and therefore requires an onsite audit.</p> <p><i>(in accordance with SRP Assurance Info Note No. 5)</i></p>
2.1.7	<p>Wholly-owned subsidiaries of a group of companies may apply for SRP CoC Multi-site Verification. Under the following conditions:</p> <ul style="list-style-type: none"> • Wholly-owned subsidiaries have the same source (SRP-Verified farm) within the supply chain and can demonstrate their supply chain relationship on submission of the application to the VB • Participating Sites may be located in different regions; the PO shall provide the VB with proof of their relationship at the application stage • To minimize the risk of integrity violation, it is highly recommended that the supply chain within the same country hold one Verification Statement to avoid risk of distance distribution and transportation between country • If outsourced contractors are used by the wholly-owned subsidiaries within the supply chain, the VB shall conduct a risk assessment to determine whether an audit of the outsourced contractor is required as per 2.1.8. • The Multi-site system administrator shall justify the grouping of operational sites into sets according to activities undertaken • The Multi-site system administrator shall have a centrally administered and documented IMS for management and implementation of the SRP Chain of Custody Requirements • The Multi-site system administrator shall appoint a management representative with overall responsibility for ensuring that all operational units comply with the SRP Chain of Custody Standard requirements. <p><i>(in accordance with SRP Assurance Info Note No. 5)</i></p>
2.1.8 - c)	<p>MODIFIED: A Multisite PO may register sites in different countries under one SRP Verification Statement issued by a single VB.</p>
2.1.8 - d)	<p>MODIFIED: Any new facilities shall be approved by the VB before they can be included within the scope of the Verification Statement.</p>
2.1.8 - e)	<p>MODIFIED: Facilities involved in manufacturing, packaging or labelling may require an on-site audit or desk review by the VB, depending on complexity and the VB's assessed risk.</p>

2.1.12	NEW: Outsourced contractors that only store SRP-verified products in external warehouses may be considered as low risk if the PO has a sufficient control system in place to maintain the integrity of the SRP product. The VB shall verify the control system of the PO, which if deemed sufficient, shall not trigger an audit of the outsourced contractor.
2.2.3 - b)	NEW: If the PO does not have an annual audit process at the time set out in point a), the Verification Statement shall be suspended from the Chain of Custody Database.
2.2.4 - b)	MODIFIED: A report checklist from the main audit shall be used and the adjustment made to only the required elements related to evaluation or all major NCs.
2.4.1	MODIFIED: A PO's CoC Verification Statement shall be subject to sanctions (suspension) for any of the following reasons
2.6.2	MODIFIED: If verification is not granted, this timeline may be extended. The VB has four (4) months to perform a follow-up audit and shall announce a new verification decision within this period.
2.6.3	DELETED: The VB has 30 business days from the date of appeal to review the appeal.
2.7	DELETED: Multi-site change to "Sample Planning"
2.7.1	MODIFIED: The VB shall audit a representative sample of the PO's member sites to evaluate effectiveness of the multi-site administrator. A representative sample should consider factors mentioned in 2.7.4.
2.7.5	MODIFIED: Surveillance audit change to " Follow-up audit"
2.7.6	NEW: In regard to sampling of documentation, the VB auditor shall sample a minimum of the square root of the total population OR a minimum three samples for audit. If the population is below three, the auditor shall verify the full population. If the calculated sample size is a non-integer, the VB shall round up the sample size to the next integer.
2.7.7	NEW: Document evaluation shall follow the sampling method stipulated in 2.7.6. In addition, the VB auditor shall ensure conformance of the PO with the CoC Standard, including but not limited to, inventory data, purchasing, production and sales data as well as mass balance credits data. Auditors shall fully understand the PO's system and reconcile data within the PO's system for each claim category, where the PO uses more than one claim category.
3.7.2	MODIFIED: The VB shall also issue an updated Verification Statement for a: <ul style="list-style-type: none"> a) PO that has undergone additional audits that necessitate changes in the Verification Statement e.g. verification audit scope; b) PO that has changed its legal or commercial name. In such cases the VB shall notify SRP for reference.
3.7.3	MODIFIED: Verification Statements are valid for 36 months from date of the verification decision. When a PO undergoes an annual audit after its first verification audit, the verification decision date shall correspond to the decision date for the annual audit. However, the verification statement anniversary date shall correspond to the decision date of the

	(re)verification audit.
Annex 2 1.1.2	MODIFIED: The Participating Operator (PO) shall define the unit of verification, including, in the case of multi-site operators, the number of sites and type(s) of operations covered by the scope of their SRP CoC. When applying the Mass Balance system, a PO shall implement at the level of a single site as per Annex 3. When more than one legal entity operates on a single site, each legal entity shall operate its own mass balance system.
Annex 2 1.1.3	MODIFIED: The PO shall ensure that independent third parties handling SRP products (e.g., outsources, subcontracts, warehouses etc.) shall all comply with the CoC Standard requirements.
Annex 2 1.1.4	MODIFIED: This includes contracted operators e.g. outsources, subcontractors, warehouses.
Annex 2 3.1.2	DELETED: Transaction Certificate (when applicable)
Annex 2 4.1.1	MODIFIED: Invoice and/or supporting documentation of incoming SRP-Verified rice shall be received and entered into the PO's system; and all transactions shall be listed and subsequently reported to the VB on an annual basis.
Annex 2 6.1.1	MODIFIED: The Participating Operator shall ensure correct claim information is provided on sales invoices and shipping documents, including the following: <ul style="list-style-type: none"> • Description of the product and the claim category • Quantity of each product per claim category • SRP Verification Code, if applicable.
Annex 2 6.1.2	NEW: The PO shall ensure the claim category as stated in the sales documents reflects the requirements of the CoC system implemented by the PO. The claim category of an SRP-Verified product cannot be upgraded – even if the supply chain participants use a higher CoC system. Notes: <ul style="list-style-type: none"> - SRP rice Input (Seg) – Processing system (Seg), claim as Seg or MB - SRP rice Input (MB) – Processing system (MB), claim as MB - SRP rice Input (Seg) – Processing system (MB), claim as MB - SRP rice Input (MB) – Processing system (Seg), claim as MB
Annex 2 7.1.3	MODIFIED: The PO shall submit all draft claims and label design to the SRP Secretariat, which shall approve prior to release.
Annex 2 8.1.1 - c)	MODIFIED: New sites shall undergo an internal inspection and notify the Verification Body by submitting the findings of the internal inspection before being included; and
Annex 4	DELETED: Entire Annex 4 deleted due to ongoing challenges encountered in implementing Transaction Certificate (TC) Request for SRP-verified rice, it has been decided to temporarily suspend the SRP TC request requirement, pending completion of SRP's own data platform where all transactions of SRP-Verified rice will be registered and monitored

Glossary

Assurance scheme: scheme providing verified assurance of conformance to a normative standard.

Assurance Service Provider (ASP): organization mandated by SRP to operate the SRP Assurance Scheme. GLOBALG.A.P. serves as SRP's only ASP.

Claim category: Reference to SRP rice products and sourcing of SRP Verified Rice products. Claims may be made on-product or off-product, in relation to marketing or sale of the product. Claims may be made for both business-to-business and business-to-consumer levels. Three categories of claim are available, are available, based on the Chain of Custody model selected: Identity Preservation, Product Segregation or Mass Balance.

Consignment: quantity (e.g., batch, lot, load) of product mass with attached data specifying the product content in terms of kilograms and sustainability characteristics.

Conversion factor: the ratio between the output material and the input material. Conversion factors will be specific to facilities and should be accurately documented in the mass balance system.

Document: information and its supporting medium. The medium may be paper, electronic, photograph or a combination.

Finished product: a product where no further modification occurs (including repacking).

Identity Preservation (IP): a type of CoC model that assures that the SRP-Verified rice product delivered to the end-user is uniquely identifiable to its verified supply base and includes the details of farmer or producer group.

Inventory period: a consistent period over which physical SRP-Verified rice and sustainability data are reconciled. Unallocated sustainability data may be carried over to the next inventory period following Mass Balance requirements set out in Annex 3.

Mass Balance (MB): a type of CoC model which is an overarching term for various, slightly different, types of Chain of Custody which involve balancing volume reconciliation.

Multi-site Participating Operator: an entity that administers two or more sites. The CoC Verification Statement is issued for multi-site scope.

Outsourcing: subcontracted manufacturing or other handling services of materials/products by an independent third party.

Participating Operator (PO): an individual, company, or organization having ownership and/or control of rice and/or all rice-derived products, from origin to market, for one or several steps in the supply chain.

Producers: individuals or entities legally responsible for production of the rice sold by those individuals or businesses and who are eligible to apply for SRP evaluation under the Scheme.

Reporting period: this will be one year, starting from verification date unless otherwise agreed.

Segregation System: a type of CoC model which assures that the SRP-Verified rice products delivered to the end-user come only from SRP-verified sources.

Single Participating Operator: an entity that administers only one production and/or processing facility but may administer one or more offices. The CoC Verification Statement is issued for a single PO.

Site: a geographical location with precise boundaries within which products may be mixed.

SRP Secretariat: the SRP focal point responsible for managing SRP's activities and programs under the strategic oversight of the SRP Executive Board.

Supplier: the preceding legal owner of the product in the Chain of Custody.

Traceability: the ability to verify the history, location, or application of an item by means of documented recorded identification.

Verification Body (VB): an independent organization that has signed a License Agreement with the ASP to provide conformity assessments and verification statements to participating operators that meet the SRP Chain of Custody Policy and Standard requirements.

Verification Code: a unique code awarded to an organization which has certified or verified part or all of its products according to the Assurance Scheme.

Verification Cycle: the period from the point of initial verification to re-verification, or from re-verification to the following re-verification. The SRP Chain of Custody is based on a three-year cycle.

1. INTRODUCTION

1.1 Background

- 1.1.1 The Sustainable Rice Platform (SRP) is a global multi-stakeholder alliance of over 100 institutional members from public, private, research, civil society and the financial sector. Co-convened by the International Rice Research Institute (IRRI), the United Nations Environment Programme (UNEP) and private sector partners in 2011, SRP is an independent not-for-profit member association. SRP works with its members and partners to transform the global rice sector by improving smallholder livelihoods, reducing the social, environmental and climate footprint of rice production; and by offering the global rice market an assured supply of sustainably produced rice.
- 1.1.2 SRP aims to promote wide-scale adoption of sustainable farming practices among rice smallholders. In 2015 the SRP launched the world's first voluntary Standard for Sustainable Rice Cultivation (the SRP Standard), providing a working definition of sustainability for any rice system and enabling sustainability scoring at farm level. In addition, a linked set of SRP Performance Indicators (PI) enables collection of farm data to quantify and verify improvements and impacts of best practice adoption.
- 1.1.3 The SRP Chain of Custody Standard is intended for use in conjunction with the SRP Standard and Assurance Scheme to enable market actors to make verifiable sustainability claims for rice produced using proven, climate-smart, sustainable best practices.
- 1.1.4 The SRP Assurance Scheme, launched in September 2020 following an open public consultation, recognizes three different types of Chain of Custody models: Identity Preservation (IP), Segregation System (Seg) and Mass Balance (MB). Chain of Custody verification is required for on-product use of SRP claims and use of the on-pack SRP-Verified Label.
- 1.1.5 Unless otherwise stated, all aspects of this Standard are considered to be normative, including the Standard scope and effective date, references, Glossary, requirements, notes, tables and annexes.
- 1.1.6 Sustainability does not end at the farm gate, and SRP aims to assure not only traceability but also continuous improvement and conformance with SRP's social criteria for all actors in the rice value chain (see the SRP Standard criteria: 35–41: child labor, forced labor, worker health, freedom of association, wages)., SRP is currently working on incorporation of social criteria in the next revision of the Chain of Custody Standard.

1.2 Scope and Effective Date

- 1.2.1 The Chain of Custody (CoC) Standard specifies requirements for all CoC-verified and applicant organizations with respect to sourcing, processing, labelling, and sale of rice-based products as SRP-Verified.
- 1.2.2 All organizations in the supply chain – from farmer to the entity implementing final packaging of products carrying an SRP claim – shall be covered by the SRP CoC verification system, to be managed by an SRP-approved CoC Verification Body. CoC verification shall cover all relevant activities conducted by the certified Participating Operator (including purchasing, processing, storage, marking, record-keeping) to ensure segregation of SRP-Verified rice from non-verified rice. Participating Operators implementing the Mass Balance CoC model shall also comply with additional specific requirements for Mass Balance as set out in Annex 3 and in the SRP Assurance Scheme.
- 1.2.3 The CoC Standard stipulates the requirements to ensure traceability of SRP- Verified rice by implementing a CoC system under one of three models: Identity Preservation (IP), Segregation System (Seg) or Mass Balance (MB).
- 1.2.4 An Assurance Service Provider (ASP) may grant an exception to a Participating Operator and/or CoC Verification Body) after consulting and receiving approval from the SRP Secretariat for each exception.
- 1.2.5 The SRP Secretariat shall make a list of existing exceptions available to all assurance providers and clients so that these are seen to be applied consistently.
- 1.2.6 Exceptions remain valid until the next standard review exercise, at which time they are considered as an input to the review.
- 1.2.7 This Standard is effective from the date of approval as stated in this document. The Standard will be updated periodically, and updated versions will supersede previous versions on the date of publication.

1.3 Verification Body Roles and Requirements for SRP CoC

- 1.3.1 General requirements
- 1) Verification Bodies (VBs) are responsible for guaranteeing the impartiality of the assessment and independent verification of compliance of any Participating Operator (PO) with the requirements of the SRP CoC Standard.
 - 2) The applicant VB shall contact the ASP and send a complete application form in English and pay the evaluation fee (according to the last version of the SRP CoC Fee table) to the ASP for initiating the approval process.
 - 3) The VBs shall sign a license and registration agreement with the ASP, specifying the

range of work (globally, nationally, partner-specific) and the scope of work. Copies of all agreements with VBs shall be shared with the SRP Secretariat.

- 4) Before approval, the ASP shall evaluate the VB's qualifications according to the following requirements:
 - i. VBs shall appoint an SRP Scheme Manager responsible for administration of the SRP CoC verification program and shall serve as the primary contact with the ASP.
 - ii. VBs shall appoint an SRP In-house trainer who will be responsible for providing mandatory annual internal training for the VB's CoC auditors and any other staff whose work is related to the SRP CoC Standard. The in-house trainer shall complete an official SRP CoC training and pass the training examination.
 - iii. The VB shall appoint an SRP CoC Quality Reviewer with SRP CoC Auditor qualification responsible for the verification decision.
 - iv. VBs shall demonstrate minimum capacity in terms of qualified SRP CoC auditors according to requirements set up in Section 1.4.
 - v. The VB shall hold a valid ISO 17065 accreditation for another standard covering primary production (e.g., GLOBALG.A.P. IFA, Rainforest Alliance, Organic).
- 5) Before conducting any SRP CoC audit, the applicant VB shall complete the following steps:
 - i. Receive updated SRP CoC tools and information on database access
 - ii. Register all SRP CoC auditors in the Chain of Custody Database.
 - iii. Pay the relevant fees for operation of the ASP.
- 6) VBs shall maintain a register of approved auditors, recording details of their competence (see details below), education, relevant experience, and scope(s) of activity. This register held by the VB shall contain at least the following information:
 - i. Name and address.
 - ii. Organizational affiliation and position.
 - iii. Educational qualification and professional status.
 - iv. Experience and training in relevant fields of competence relating to the SRP Standard.
- 7) Records of this evaluation shall be updated regularly and made available to the ASP and SRP on request.
- 8) After approval by ASP the VBs shall be responsible for qualifying and approving only

staff participants and auditors who fulfill the requirements set out in Section 1.4 of this Policy.

- 9) The VB shall designate a staff member responsible for development, implementation, and maintenance of the quality system. This designated staff member will report to the organization's executive and shall also be responsible for reporting on performance of the quality system for the purposes of management review and system improvement.
- 10) The quality system shall be documented and used by all relevant VB staff.
- 11) All VB personnel shall uphold the highest levels of professional integrity and impartiality, be free from commercial, financial, or other pressures that might affect their judgment, and are expressly forbidden from promoting any goods or services during evaluation activities.
- 12) The ASP shall agree to freely exchange information with SRP relating to approval of VBs, and auditors to avoid duplication.
- 13) The VB is responsible for communicating to its SRP CoC-registered clients all relevant updates, as well as the date of first application and grace period for any new SRP versions of normative documents.
- 14) The VB shall clearly explain the Data Access Rules to the producer or producer group and obtain their written consent to share specified categories of data.
- 15) The VB shall treat applicant information in confidence unless otherwise required under national law. No information shall be released to third parties without the applicant's prior consent.
- 16) The VB shall establish a system to evaluate conformance with the SRP CoC Standard as well as a system to take verification decisions, manage appeals and comply with all other ASP requirements.
- 17) The VB shall establish a system to ensure it retains authority over decisions related to its assessments and verification activities.
- 18) The VB shall be responsible for ensuring the quality and integrity of any SRP assurance activities outsourced to another body. When assessment conditions require it, VBs shall employ interpreters, technical experts or oversight bodies who are independent of the client, unless this is not feasible due to logistical constraints. In all cases, the names and affiliations of these experts shall be included in the audit report.
- 19) The VB shall notify the ASP and SRP of any withdrawal or suspension of a verification. This shall be done as early as possible, but no later than the next scheduled update of producer data in the Chain of Custody Database.
- 20) The VB shall establish a system to immediately notify the ASP and SRP in the event

of any conflict or problem that could result in reputational damage and agree on appropriate corrective action.

- 21) The VB shall cooperate fully with the ASP during management of complaints related to the VB or to the company contracted by the VB.
- 22) The ASP shall ensure that the VB and the CoC Verification Statement holder agree to be registered and submit to potential integrity audits conducted by SRP. SRP shall cover the costs of any integrity audits. However, if during such routine integrity audits, incidents related to VB's activities are found that lead to follow-up integrity audit visits, the SRP reserves the right to charge the VB for such follow-up integrity audit visits as required.
- 23) The VBs shall conduct annual internal audits on its performance related to the SRP CoC Policy and Standard and share the results with the ASP.
- 24) The VBs shall be fully paid-up members of the Sustainable Rice Platform.
- 25) The VBs shall establish measures and procedures to prevent bribery and corruption at all levels of its organization.
- 26) The VB's auditor or other VB's personnel are permitted to provide information on SRP's normative documents or other SRP guidance notes and the audit report to clients during assessment. However, VBs are prohibited from providing consultancy services to audit clients.
- 27) The VBs shall provide the following information to the ASP on request:
 - i. Authority under which the organization operates.
 - ii. A statement in relation to its verification system, including information on rules and procedures for granting, maintaining, extending, suspending, and withdrawing verification.
 - iii. Evaluation procedures and verification processes in relation to the verification scheme.
 - iv. Details of complaints, appeals and dispute procedures on request.
- 28) The VB shall carry out SRP witness assessments and/or re-inspections for each of its SRP inspectors/auditors at least once every 4 years to verify competence.

1.3.2 Extension of Scope

- a) SRP-approved VBs who want to extend their scope to include the SRP CoC Standard shall follow the steps and requirements set out in Section 1.3.1.
- b) SRP-approved VBs shall send a letter of intention for extension of scope and the respective application form to the ASP.

- c) After obtaining approval, VBs shall sign the agreement of extension of scope with the ASP.

1.3.3 Suspension or cancellation of the License Agreement

- a) In case a VB wishes to terminate its Agreement with the ASP, the following actions shall be taken:
 - i. The VB shall send a formal termination request to the ASP.
 - ii. The VB shall inform all clients that re-verification shall be carried out by another VB.
 - iii. The termination will be fully effective on expiry of the last valid Verification Statement.
- b) In case of withdrawal or suspension of a VB Agreement by the ASP, the ASP shall immediately inform SRP of such action, including the reasons for the action.

1.4. Verification Body Participants in the Audit Process

1.4.1. The VB shall establish a verification team comprising experts in specific areas to complete the verification process and comply with all requirements stipulated in Section 1.3 of this document in accordance with each team member's designated role(s). An individual may play more than one role. All VB personnel involved shall be trained in the SRP CoC Policy and Standard either by attending an official SRP training or trained by the VB in-house trainer. Also, the VB personnel shall sign a confidentiality agreement as a condition of employment.

1.4.2. **Scheme manager:** a designated VB staff member will be responsible for administration of the verification program and who will be the VB's representative and shall serve as the VB's main contact with the ASP. His/her responsibilities are to:

- a) Ensure that all VB staff meet the eligibility qualifications specified in this document and other relevant documentation.
- b) Ensure that auditors conduct the audits in accordance with all requirements specified in this document.
- c) Update and communicate with VB staff and Verification Statement holders in regard to any changes in the verification program.
- d) Provide documentation and/or reports to SRP and the ASP on request.
- e) Ensure timely and adequate communications with SRP and the ASP at all times.
- f) Inform SRP and the ASP in the event of changes that may affect VB conformance with the requirements stipulated in Section 1.3 of this document, as well as any sanctions imposed on the VB by any other scheme for which the VB is approved, e.g., RA SAS CoC, FSC CoC, PEFC CoC, RSPO SCC.
- g) Shall be fluent in English.

- 1.4.3. **Database administrator:** A database administrator within the VB manages the account within the Chain of Custody Database and ensures proper data input. His/her responsibilities are to:
- a) Input data on verification processes for Verification Statement holders, ensuring each step follows the verification process timeline rules.
 - b) Ensure data quality and update Verification Statement holder information as needed. Data quality includes accurate Verification Statement information, as well as consistency of information across the various fields and attachments in the Chain of Custody Database.
 - c) Upload the Audit report in the Chain of Custody database.
 - d) Update auditor records in the Chain of Custody Database with new training, performance evaluations and general auditor details.
 - e) Shall be fluent in English and participate in Chain of Custody Database training and webinars.
 - f) Follow-up on specific data input needs or record updates in a timely manner.
 - g) Shall complete an SRP CoC training.
- 1.4.4. **In-House trainer:** The In-house trainer shall comply with CoC auditor qualification requirements in Section 1.4.5 and obtain an SRP Verification Statement of Participation in an official SRP CoC Policy and Standard training course. In-house trainers shall be fluent in English. The VB shall maintain at least one SRP In-house trainer for every 5 auditors to ensure adequate internal knowledge-sharing and harmonized interpretation.
- 1.4.5. **Auditor team:** The auditor team comprises qualified and registered auditors, one of whom shall act as CoC auditor, plus additional technical experts as needed. All team members shall pass the official SRP CoC training course and respective examination and be qualified as a lead CoC auditor according to a social/environmental assurance scheme with similar CoC requirements (e.g., RA SAS CoC, FSC CoC, PEFC CoC, RSPO SCC, GLOBALG.A.P. CoC). SRP CoC auditors auditing Internal Management Systems of Multisite Participating Operators shall have attended an auditor training course based on ISO 19011 principles, with duration of at least 2-days (16 hours). The team's responsibilities are to:
- a) audit according to the system requirements
 - b) ensure conformance with the audit report requirements of the verification process timeline
 - c) provide accurate information on all aspects of the audit process.
- 1.4.6. **Quality reviewer:** This is the VB staff member responsible for reviewing audit reports to ensure proper interpretation of the SRP CoC Standard (Annex 2) with the following roles:
- a) The Quality Reviewer shall comply with the requirements for auditor qualifications set in Section 1.4.5 above.
 - b) The Quality Reviewer shall conduct a quality review of audit reports and ensure that accurate and consistent information is reviewed in the Chain of Custody Database. For example, the quality reviewer should ensure that site information is

recorded accurately in the audit report and in the engagement record.

- c) The Quality Reviewer shall notify the audit team of any inaccuracies in the audit report by:
- i. Propose improvements relating to the verification process, including audit quality review and auditor competence, to the verification manager.
 - ii. Make the final verification decision.
 - iii. Have the authority to modify the recommendation of the audit team due to any errors or inconsistencies identified in the audit report.
 - iv. Recommend another audit if the report lacks sufficient evidence.
 - v. Request that the CoC auditors clarify or expand any Section of the audit report. Withdraw a non-conformity.
 - vi. Issue a new non-conformity.
 - vii. Review an appeal based on a verification decision.

2. CoC VERIFICATION RULES

2.1 Chain of Custody Audit Scope

- 2.1.1 The SRP CoC requirements shall apply to any organization in the supply chain that physically and non-physically (i.e., trading) handles SRP-Verified rice products at a location under the organization's control, including outsourced contractors. After the end-product manufacturer, there is no further requirement for verification. Onsite CoC audit is required for any organization physically handling the product, while a desktop CoC audit only is required for any organization not physically handling the product.
- 2.1.2 Companies producing and selling SRP-Verified rice may only market a SRP-Verified product having successfully been issued with a Verification Statement of CoC compliance by an authorized SRP CoC Verification Body.
- 2.1.3 Any company, association, factory, processing unit or other entity that applies for SRP CoC verification, shall be referred to as a Participating Operator (PO).
- 2.1.4 The verification cycle for SRP CoC verification is three years.
- 2.1.5 POs are divided into two categories in the context of the SRP CoC system:
- a) Single Participating Operator: An entity that administers only one production and/or processing facility but may administer one or more offices. The CoC Verification Statement is issued for a single PO.
 - b) Multi-site Participating Operator: An entity that administers two or more sites where trading or processing of an SRP-Verified rice product takes place. It is the entity that signs the agreement with an authorized Verification Body and takes responsibility for development, implementation and maintenance of the producer group's internal management system and for verification of each individual site's compliance with the CoC Policy and Standard.
- 2.1.6 Multi-site Participating Operators (PO) may apply for a CoC Multi-site audit to any SRP Authorized VB under the following conditions:
- a) The Multi-site system administrator shall define the geographic area, the number and identity of sites, the supply chain model and the types of operations covered by the scope of their multi-site CoC system.
 - b) The SRP supply chain model of a representative sample from the participating site shall be reviewed and verified by the VB during the verification audit.
 - c) The Multi-site system administrator acting as Internal Management System (IMS) office is considered as a participating site and shall always be part of the sampled site.
 - d) A Multi-site system administrator that has a processing and handling site is counted as a Participating Site with physical possession, and therefore requires an onsite audit.

2.1.7 Wholly-owned subsidiaries of a group of companies may apply for SRP CoC Multi-site Verification, under the following conditions:

- a) Wholly-owned subsidiaries have the same source (SRP-Verified farm) within the supply chain and can demonstrate their supply chain relationship on submission of the application to the VB.
- b) Participating Sites may be located in different regions; the PO shall provide the VB with proof of their relationship at the application stage.
- c) To minimize the risk of integrity violation, it is highly recommended that the supply chain within the same country hold one Verification Statement to avoid risk of distance distribution and transportation between country.
- d) If outsourced contractors are used by the wholly-owned subsidiaries within the supply chain, the VB shall conduct a risk assessment to determine whether an audit of the outsourced contractor is required as per 2.1.9.
- e) The Multi-site system administrator shall justify the grouping of operational sites into sets according to activities undertaken.
- f) The Multi-site system administrator shall have a centrally administered and documented IMS for management and implementation of the SRP Chain of Custody Requirements.
- g) The Multi-site system administrator shall appoint a management representative with overall responsibility for ensuring that all operational units comply with the SRP Chain of Custody Standard requirements.

2.1.8 Expansion of Multi-site Participating Operator Verification Statement:

- a) At any time in the audit cycle and as long as effectiveness of the audit is guaranteed, a PO may request a change to the verification scope to increase or decrease the number of sites.
- b) For a multi-site PO to increase its number of sites, it shall communicate to the VB regarding each site it wishes to include.
- c) A Multisite PO may register sites in different countries under one SRP Verification Statement issued by a single VB.
- d) Any new facilities shall be approved by the VB before they can be included within the scope of the Verification Statement.
- e) Facilities involved in manufacturing, packaging or labelling may require an on-site audit or desk review by the VB, depending on complexity and the VB's assessed risk.

2.1.9 In cases where a PO outsources activities to independent third parties, the VB shall conduct a risk assessment to determine whether an audit of the outsourced contractors is required.

2.1.10 If the outsourced contractor holds SRP CoC verification it is categorized as low-risk, and requirement for audit of the outsourcing contractor may be waived.

2.1.11 Outsourced contractors that are not categorized as in Section 2.1.9 shall be considered

high risk if engaged in physically transforming products or if there is a risk of uncontrolled, non-deliberate or accidental cross-contamination resulting in mixing of verified and non-verified products. In such case the audit scope should include outsourced contractors, including a field visit to outsourced contractors.

- 2.1.12 Outsourced contractors that only store SRP-verified products in external warehouses may be considered as low risk if the PO has a sufficient control system in place to maintain the integrity of the SRP product. The VB shall verify the control system of the PO, which if deemed sufficient, shall not trigger an audit of the outsourced contractor.

2.2 Type of Audit and Frequency

- 2.2.1 The VB shall record each audit process for the different types of audits in the Chain of Custody Database at the time of confirmation of the audit date as described in Section 2.2.2 onwards. An on-site audit is required for organizations involved in manufacturing, packaging or labelling SRP-Verified rice. Desk audits may be applied for traders not involved in any transformation or repackaging.
- 2.2.2 **Verification audit:** A verification audit is carried out when the organization applies for SRP verification for the first time, and subsequently every three years when it will be referred to as a re-verification audit. The following conditions shall apply
- To maintain continuity, the PO shall complete the re-verification audit process before the Verification Statement expires.
 - If the PO does not have a re-verification audit process activated at the time that the Verification Statement is due to expire, the Verification Statement will immediately be cancelled in the Chain of Custody Database.
- 2.2.3 **Annual audit:** The VB shall conduct an annual audit according to the assessed risk of the PO. Such audits may be either on-site or desk audits based on the outcome of the VB's risk assessment process. An on-site annual audit shall be conducted if the PO is engaged in physically transforming products or if there is a risk of uncontrolled, non-deliberate or accidental cross-contamination resulting in mixing of verified and non-verified products; a desk-based annual audit may be conducted if PO does not physically possess SRP-Verified product. The following conditions shall apply:
- Annual audits shall take place between four (4) months before and four (4) months after the anniversary date of the Verification Statement.
 - If the PO does not have an annual audit process at the time set out in point a), the Verification Statement shall be suspended from the Chain of Custody Database.
 - Annual audits shall evaluate all applicable criteria, and corrective actions associated with any open minor non-conformities.
- 2.2.4 **Follow-up audit:** The VB shall conduct a follow-up audit when the organization receives one or more major non-conformities as a result of an annual or verification audit. When a follow-up audit is necessary, the VBs shall adhere to the following additional conditions:

- a) For closure of all major non-conformities, the follow-up audit shall be completed and a final verification decision made within four (4) months of the previous verification decision.
- b) A report checklist from the main audit shall be used and the adjustment made to only the required elements related to evaluation or all major NCs.

2.2.5 **Research audits:** The VB may conduct research audits in response to a complaint, including 'incidents reported' from a buyer or third party regarding a PO with the potential to result in a major non-conformity. Research audits may be conducted at any time in the verification cycle, with the following conditions:

- a) If the complaint pertains only to the performance of the multi-site administrator regarding the multi-site standard requirements, the research audit shall apply only to that entity.
- b) If the complaint pertains to the performance of one or more member sites regarding applicable standard requirements, the audit scope shall include only the sites relevant to the complaint or sample of sites if it is multi-site. If the complaint pertains to both the administrator and the member sites, all shall be audited.
- c) In the checklist, the VB shall include only the criteria on which the research audits focused.
- d) The PO will cover the costs of any required research audit.

2.3 Conformance Evaluation

- 2.3.1 Audit findings are classified as conformities or non-conformities. Non-conformities can be categorized as major or minor.
- 2.3.2 Non-conformities may be closed by the auditor prior to report finalization if evidence demonstrating that the non-conformity has been corrected. Major non-conformity should be evaluated and accepted within 28 calendar days of the closing meeting. Any additional costs incurred in evaluating such evidence shall be borne by the PO.
- 2.3.3 An observation is a comment intended to highlight potential improvements to the PO's CoC system.
- 2.3.4 A major non-conformity (MaNC) is issued when there is:
 - a) evidence of non-conformity that poses a material risk to certified product integrity due to mixing with uncertified product, over-selling of certified volumes, significant system gaps, or seal use violation; or
 - b) a non-conformity with the CoC Standard (refer Annex 2) that poses a substantial risk to the SRP CoC system or (at SRP's sole discretion) that may otherwise carry reputational impacts for SRP; or
 - c) escalation of a minor non-conformity that was not closed within the designated

timeline.

- 2.3.5 If one or more MaNCs are issued as a result of a verification audit or re-verification audit, CoC verification will not be approved, and the PO is then required to undergo a follow-up audit within four (4) months of the verification decision. If during this follow-up audit the PO demonstrates corrective actions sufficient to close the MaNCs, a Verification Statement may be issued. Otherwise, CoC verification will not be approved.
- 2.3.6 If one or more MaNCs are issued as a result of an annual audit, CoC verification shall be suspended, and the PO shall undergo a follow-up audit within four (4) months of the suspension decision. If, during the follow-up audit, the PO demonstrates corrective actions sufficient to close the MaNCs, the Verification Statement may be reinstated. Otherwise, the Verification Statement will be terminated.
- 2.3.7 A minor non-conformity (MiNC) is issued when there is:
- evidence of non-conformity that does not pose a material risk to certified product integrity due to mixing with unverified product, over-selling of certified volumes, significant system gaps, or seal use violation; or
 - a non-conformity with the CoC Standard (refer Annex 2) that does not pose a substantial risk to the SRP CoC system or carry reputational impacts for SRP.
- 2.3.8 Although a MiNC generally does not prevent Verification Statement issuance or maintenance, there may be cases when a large number of MiNCs indicate that the overall management system is too weak to issue or maintain the Verification Statement. In such cases, presence of a cumulative impact of multiple MiNCs indicates risk of a general system breakdown, which constitutes a major non-conformance. In such a situation, each MiNC issued is classified as an MaNC.
- 2.3.9 If any open MiNC(s) remain following the verification or annual audits or raised in the next verification cycle, the PO should demonstrate corrective actions sufficient to resolve each MiNC within 12 months of the verification decision. At any audit, a VB may, but is not required to, escalate an MiNC from a previous audit to an MaNC if the PO has not demonstrated corrective actions sufficient to resolve the MiNC. In addition, at a re-verification audit, a VB shall escalate any open MiNC(s) to MaNC(s) if the PO has not demonstrated corrective actions sufficient to resolve the open MiNC(s) issued during the previous verification cycle.

2.4 Verification Statement Termination and Sanction

- 2.4.1 A PO's CoC Verification Statement shall be subject to sanctions (suspension) for any of the following reasons:
- The PO does not undergo the corresponding audits in the verification cycle within the established timeframes, unless the VB authorizes an extension based on a force majeure situation.
 - A PO is found to make false claims or declarations, or to deliberately provide inaccurate or materially incomplete information.

- c) A PO deliberately obstructs or hinders an audit.
 - d) A PO has participated in fraudulent or unethical activities that may tarnish the reputation of the verification program.
 - e) A PO knowingly fails to comply with any aspect of the SRP CoC system.
 - f) A system breakdown or major/critical non-conformance that results in or will likely result in non-conformant products being sold with an SRP-Verified claim, shall result in suspension.
- 2.4.2 The PO may also request voluntary termination of its Verification Statement from the VB, in which case the CoC verification is deemed "terminated" as of the date of the PO's written request.
- 2.4.3 Sanctions for a PO without CoC status shall include all of the applicable consequences of termination:
- a) As of the termination date, no further sale or transfer of ownership of SRP-Verified rice may be claimed or recognized as SRP-Verified. Should the PO have additional volumes of SRP-Verified rice it wishes to sell, it shall notify the VB and request a sell-off period through the VB tracking system, so that the volume may be verified and approved as SRP-Verified. The sell-off period will begin on the termination date and continue for up to six (6) months from termination date.
 - b) As of the termination date, and including during the sell-off period, the PO will immediately cease to make any off-pack claims that imply that it complies with the CoC Standard and immediately cease to make use of SRP claims or trademarks in any physical or electronic promotional material or media, in brochures, web pages, signs or other types of documentation (other than in approved annual reports or sustainability reports dated prior to termination).
 - c) As of the termination date, and including during the sell-off period, a PO may not create or cause to be created any new products, packaging or off-product promotional materials marked as SRP-Verified.
 - d) Following termination, and accounting for the sell-off period, the PO shall be deactivated in all applicable SRP systems.
 - e) A PO with a Verification Statement terminated due to fraud cannot re-enter the SRP CoC verification system within a period of one (1) year from date of termination.
- 2.4.4 If a Verification Statement is suspended by VB for more than four (4) months, it shall be terminated.

2.5 Verification Statement Reinstatement

- 2.5.1 POs whose Verification Statement has been terminated may re-apply for verification at any time unless the termination was due to fraud, following the requirement in Section 2.4.3 e) above.

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- 2.5.2 POs with no CoC status that have been sanctioned by SRP shall secure conformance with SRP licensing agreements and the requirements for the trademarks and traceability system prior to selling and/or promoting products as originating from SRP-Verified producers.
- 2.5.3 The Verification Statement cycle will follow the reinstatement date.
- 2.5.4 Unless within the previously approved sell-off period, no product may be sold with SRP-Verified claims before a new CoC Verification Statement is issued or sanctions have been lifted.
- 2.5.5 To be reinstated, a PO shall comply with the following process:
- a) submit a new application to enable the VB to determine the corresponding assurance tasks to be undertaken.
 - b) close any existing MaNCs or MiNCs that remained open in the 12 months prior to termination and were not closed when the previous Verification Statement was terminated.
- 2.5.6 A Verification Statement may be reinstated after an on-site audit resulting in a positive decision.

2.6 Verification Process Timeline Rules

- 2.6.1 The VB is responsible for complying with the defined timelines and for recording the process in the Chain of Custody Database within the applicable timelines (see Annex 1 for details).
- 2.6.2 If verification is not granted, this timeline may be extended. The VB has four (4) months to perform a follow-up audit and shall announce a new verification decision within this period.

2.7 Sample Planning

- 2.7.1 The VB shall audit a representative sample of the PO's member sites to evaluate effectiveness of the multi-site administrator. A representative sample should consider factors mentioned in Section 2.7.4 below.
- 2.7.2 Conformance with the SRP CoC Standard according to the audit scope shall be evaluated at site level for those sites included in the audit sample.
- 2.7.3 The VB shall always audit at least two member sites in any type of audit.
- 2.7.4 The sites of the CoC multi-site PO to be evaluated by the audit team shall be selected in such a way that the risk categories for each site associated with the Verification Statement are represented in the sample. When selecting sites for audit, the following factors shall be considered:

- a) Geographic distribution,
- b) Activities and/or products produced,
- c) Size and complexity of participating sites,
- d) Areas of improvement of the internal management system identified by internal reports or external audits,
- e) New sites, products or processes.

2.7.5 The VB shall use the following guidance to determine the sample size for each audit type. If the calculated value of the sample size is not an integer, the VB shall round it up to the next integer.

Type of Audit	Sample size
Verification audit	The sample of sites to be audited shall be equal to the square root of the total number of sites in the Verification Statement.
Annual audit	The sample of sites to be audited shall be equal to the square root of the total number of sites in the Verification Statement.
Follow-up audit	The follow-up audit checks whether the audited organization has satisfactorily addressed non-conformities detected during a previous audit. Surveillance audits shall apply only to those sites that did not previously meet the verification requirements. A verification audit could also be used to add new, potentially high risk, sites to the scope.
Research audit	A research audit is triggered in response to a claim or complaint about the performance of a PO. Research audits shall apply only to those sites relevant to the complaint.

2.7.6 In regard to sampling of documentation, the VB auditor shall sample a minimum of the square root of the total population OR a minimum three samples for audit. If the population is below three, the auditor shall verify the full population. If the calculated sample size is a non-integer, the VB shall round up the sample size to the next integer.

2.7.7 Document evaluation shall follow the sampling method stipulated in 2.7.6. In addition, the VB auditor shall ensure conformance of the PO with the CoC Standard, including but not limited to, inventory data, purchasing, production and sales data as well as mass balance credits data. Auditors shall fully understand the PO's system and reconcile data within the PO's system for each claim category, where the PO uses more than one claim category.

2.8 VB Permitted Support

2.8.1 The actions described in this Section are permitted by SRP but are not required. VBs shall consult SRP for clarification if they have any questions or need more information about technical support during, or related to, verification processes. VBs shall also seek

guidance from the ASP on addressing potential conflicts.

2.8.2 The VB may support the PO in the following ways:

- a) Describe examples of conformance with standard criteria.
- b) Inform the PO of the option to hire a consultant or organization to help the PO prepare for the audit and verification process.
- c) Provide sample documentation or other supporting materials to the PO that show how a fictional company has met CoC requirements.
- d) Describe a non-conformity during the closing meeting and in the audit report in such a way that the non-conformance and its root cause are clear, so that the operation knows exactly what it needs to correct.
- e) Provide general training about the CoC Standard and the requirements applicable to different types of operations, including Standard interpretation by auditors for these types of operations. This training cannot be one-to-one or provided specifically to one PO.

2.9 VB Support Not Permitted

2.9.1 The VB may NOT support the PO in the following ways:

- a) Recommend specific actions or products facilitating PO conformance with the applicable CoC Standard, including providing corrective actions or designs for operation-specific infrastructure; or write or participate in writing required plans, policies or procedures.
- b) Give advice or directions, prescribe practices or provide instructions to close non-conformities. VBs may, however, explain in detail the reasons for raising the non-conformities.
- c) Provide support or consulting services that could affect the VB's impartiality in assigning non-conformities, evaluating corrective actions and making verification decisions.
- d) Combine or package offers or quotes for technical support with verification services.
- e) Mix support and verification activities in any way that violates any of the requirements stipulated in the SRP Assurance Scheme.

3. CoC VERIFICATION PROCESS

3.1 Application Process

- 3.1.1 SRP CoC verification begins when a PO submits an application form to the SRP CoC Approved VB, which then determines auditing needs (scope, budget and duration).
- 3.1.2 The applicant PO shall sign the latest version of the SRP Sublicense and Registration agreement with the VB.
- 3.1.3 The VB shall send an introductory information package that includes the SRP CoC Policy and Standard and application form, together with the applicable procedures.
- 3.1.4 The VB shall review the application within ten (10) business days of receipt, to ensure the following are in line with the VB's understanding of the PO:
 - a) All sites handling/ purchasing/ trading SRP-Verified rice have been included.
 - b) The company's operation and activities are accurately described.
- 3.1.5 The VB shall ensure that the PO's information is recorded in the CoC Database and updated based on any changes to the PO's information or verification scope.
- 3.1.6 The process of PO registration in the CoC Database shall comply with the registration rules set up for producers and producer groups of the SRP Assurance Scheme as well as with the requirements of the SRP CoC Data Access Rules.
- 3.1.7 Following successful registration, the applicant PO will be assigned a Global Aggregator Number – GAN.
- 3.1.8 The PO shall include and maintain all relevant information of each site (including outsources/ subcontracting sites) if a multi-site audit is chosen while complying with all above requirements.
- 3.1.9 All sites will be listed in an Annex to the Verification Statement.

3.2 Audit Plan Development

- 3.2.1 The VB shall provide the PO with an audit plan at least five (5) days in advance of the on-site or desk audit, with the exception of research audits. The objective of the audit plan is to describe all activities covered by the audit process, including the following:
 - a) Composition of the audit team, indicating names and roles of the auditors and experts who will participate in the audit.
 - b) Date(s) of the audit, and time required to perform the audit.
 - c) Any PO information that affects the audit process:
 - i. Single or Multi-site: Number of sites

ii. Product information and related processes

- d) Documents and records to be available for the audit process.
- e) Agenda for the audit.

3.2.2 Factors to consider when planning audits:

- a) To prepare for the audit the VB shall review the following factors, to be evaluated and recorded, including but not limited to:
 - i. Geographic location of the operation – address, state, region, country
 - ii. Type of operation
 - iii. Number of sites
 - iv. Valid certifications under other schemes
 - v. For operations already certified, the performance history of the operation regarding conformance with the SRP CoC Standard.
- b) For research audits, VBs shall base their audit preparation and review on available information about the operation to be investigated, which should include the above-mentioned factors. VBs shall also consider:
 - i. Nature and seriousness of the complaint or incident reported or detected
 - ii. The evidence presented and compiled to date.

3.3 Audit Execution

3.3.1 **Preliminary review of documentation:** The VB shall provide its audit team with access to all necessary information to conduct the audit and enable thorough review before initiating the audit. This may include information from other sources or stakeholders.

3.3.2 **Opening meeting:** The audit team shall initiate each on-site audit with an opening meeting led by the CoC auditor in the presence of representatives of the audited PO and all audit team members assigned to audit the site at which the main opening meeting occurs. The audit team shall record the names of all opening meeting participants, agreements reached and any objections or concerns raised by the operation's representatives.

3.3.3 **Evidence of conformance:** The VB shall provide clear and concise evidence to document conformance and non-conformance during the audit. The audit team shall verify findings between different types of evidence to triangulate evidence among document reviews, interviews, and field observations of operations. The audit team shall record such information as the primary purpose of recording triangulated information is to verify findings associated with the evaluation itself, including any non-conformities; a secondary purpose is as a basis to expand the audit scope or the collection of additional evidence.

3.3.4 Individual auditors shall keep notes of evidence for the CoC Standard criteria for which

they are responsible. The audit team can complete an audit checklist provided by the VB with a summary of the consolidated evidence from all team members for each CoC Standard criterion. The summary should clearly describe the reasons why the operation is or is not in conformance with CoC Standard criteria, and the extent or magnitude of any non-conformance (MaNC or MiNC).

- 3.3.5 The audit team shall record all non-conformities and consolidated evidence in the audit report to ensure that all CoC Standard criteria are audited and to facilitate the recounting of evidence during the closing meeting.
- 3.3.6 Following the audit, the CoC auditor shall conduct a closing meeting with the operator representative(s). The audit team members participate according to the instructions of the CoC auditor. The following functions and activities shall be completed during the closing meeting:
- a) Summarize main findings and conclusions of the audit so that they are clearly understood by the representative(s) of the operation, especially the nature, extent and magnitude of any non-conformities detected;
 - b) Explain the timeline and remaining steps of the verification process, emphasizing that the audit team does not make the verification decision;
 - c) The auditor shall clearly explain each non-conformity, and the reasons for raising the non-conformities and their designation as major or minor;
 - d) The auditors shall allow the representatives of the operation to question findings and submit evidence that could lead to modifications of conformity decisions within the time limits established by the VB;
 - e) Allow questions from the operation regarding potential improvements and corrective actions;
 - f) Obtain documentation related to conformance with the CoC Standard and verify any remaining information about the operation;
 - g) Reiterate the commitment to confidentiality and limitations on the use of the information obtained.
- 3.3.7 The CoC auditor shall submit the completed checklists, verified information, and all other materials describing or containing conformance evidence to the VB for review. The VB shall maintain copies of this evidence on file.

3.4 Audit Report and Review

- 3.4.1 The VB shall adhere to the timelines stipulated in Annex 1 relating to report review and finalization.
- 3.4.2 Following completion of the review process as described in Annex 1, the VB shall take the verification decision and registers the decision in the Chain of Custody Database.
- 3.4.3 SRP may stipulate shorter timelines in cases of research audits for high-risk cases. SRP

shall communicate – during the audit planning process – such timelines to the VB conducting the research audit.

- 3.4.4 For multi-site PO Verification Statement, the CoC auditor is responsible for completing all required information in the checklist with verified sample details describing corresponding findings and evidence for each member site and at the multi-site administrator level.
- 3.4.5 For follow-up audits, the auditors shall reference the original audit report from main audit, complete the full review of non-conformance criteria and indicate the additional information and date of the follow-up audit. For new samples during the follow-up audit process, the CoC auditor should complete evidence and findings for all CoC criteria.
- 3.4.6 The CoC auditor shall send the VB the audit report, list of updated member sites (where applicable) and evidence obtained during the audit.
- 3.4.7 The VB shall upload the audit report in the CoC Database.

3.5 Verification Decision

- 3.5.1 The VB shall conduct a documented review of the quality of all draft audit reports and evidence, to be carried out by an internal quality reviewer assigned by the VB.
- 3.5.2 The quality reviewer shall consider the following elements according to the requirements of the SRP CoC Standard:
 - a) Correct interpretation of the SRP CoC Standard criteria in the context of the applicable audit scope
 - b) Correct assignment of non-conformities to the relevant SRP CoC Standard criteria
 - c) Verify that the evidence for all criteria and all non-conformities is described in a manner that is clear, concise, objective and expresses the nature, magnitude and correct technical basis of the Standard non-conformities
 - d) Verify that the report conclusions are consistent with the non-conformities reported
 - e) Correct spelling and grammar without excessive use of jargon or colloquialisms
 - f) Conformance with submission timelines established in this document.
- 3.5.3 The quality reviewer shall document recommended changes and any comments, observations and suggestions for improvement and return them to the CoC auditor.
- 3.5.4 The reviewer shall evaluate the quality of the report and keep a record for each audit report including aspects to be improved, which will be used by the VB and SRP for evaluating auditor performance.
- 3.5.5 VBs shall maintain copies of the original draft audit report and the quality reviewer's report and incorporate them into quality assurance reviews as indicated in the quality

management systems of the VB.

3.5.6 The CoC auditor shall modify audit reports based on the recommended changes, comments, observations and suggestions for improvement made by the quality reviewer. Any conflicts between the audit team's or CoC auditor's findings and the recommended changes shall be documented and incorporated in the VB's quality management system for subsequent review.

3.5.7 Final verification decision made by quality reviewer.

3.6 Client Review and Appeals

3.6.1 PDF versions of audit reports shall be generated after the quality review process and sent to participating operator (PO) for their review and comment. The following responsibilities and rights govern these processes:

- a) The VB shall establish a process that documents and responds to POs' comments about, or conflicts with, audit reports submitted for their review
- b) The audited PO shall review the recorded information relating to their operations and notify the VB of any discrepancies or inaccuracies within five (5) business days
- c) Audited PO shall report to the VB any discrepancies or conflicts with respect to non-conformities reported in the closing meeting and those described in the audit report. POs have the right to challenge any new or modified conformance issues recommended by report reviewers or review committees, and to provide evidence to support their claims; Nevertheless, the evidence that presented to challenge the report should not newly being made or created in order to address the non-conformance
- d) The VB shall receive and process any comment, complaint or conflict related to audit reports according to their documented processes.

3.6.2 VBs can consider the audit reports as accepted if no comments or concerns are received from the PO within five (5) business days of the audit. Should the PO reject any decisions arising from the content of the report despite clear technical justifications by the VB, the VB shall proceed with the verification decision, send the final report to the audited PO, and upload it to the Chain of Custody Database.

3.6.3 The audited PO has the right to appeal the verification decision according to the SRP CoC Verification Policy and Procedures established by the VB. The VB shall adhere to the following requirements and timeframe for the appeals procedure:

- a) The appeal shall be analyzed by an individual who did not participate in the audit or in the decision-making process related to the verification, who does not have any conflicts of interest related to the operation, and who is qualified as a CoC auditor.
- b) The VB shall not resolve appeals by changing the Verification Statement scope to eliminate a problem in the scope of the verification granted.
- c) The VB shall resolve and communicate the result of any appeal within thirty (30)

business days.

- d) The VB shall describe in its appeal procedure any associated fees.
- e) The VB shall maintain records of appeal processes including dates that appeals are received, decided, and communicated to audited PO, as well as the nature of the appeal and decisions reached. These records shall be made available to SRP upon request.
- f) Only in the case where the audited PO is not satisfied with the result of the appeals process, the VB shall communicate that the PO may appeal to ASP within five (5) business days of the original appeal decision. The SRP appeals process will adhere to the same scope and requirements as described in this Section. All decisions by SRP are final.
- g) The VB shall inform the PO of the result of its appeal. If the appeal is accepted, the VB shall modify the original audit report to reflect the new verification decision and upload the new report into the Chain of Custody Database. If the appeal is rejected, the original decision prior to appeal shall stand.

3.7 Issuing the Verification Statement

- 3.7.1 The VB shall issue a Verification Statement only after the PO has successfully passed a verification audit, or successfully passed a follow-up audit after failing a verification or annual audit.
- 3.7.2 The VB shall also issue an updated Verification Statement for a:
 - a) PO that has undergone additional audits that necessitate changes in the Verification Statement e.g. verification audit scope;
 - b) PO that has changed its legal or commercial name. In such cases the VB shall notify SRP for reference.
- 3.7.3 Verification Statements are valid for 36 months from date of the verification decision. When a PO undergoes an annual audit after its first verification audit, the verification decision date shall correspond to the decision date for the annual audit. However, the verification statement anniversary date shall correspond to the decision date of the (re)verification audit.
- 3.7.4 The status of the verification is subject to the results of subsequent audits and the PO's conformance with the SRP Rules and related requirements.
- 3.7.5 The Verification Statements issued by VBs shall include the following:
 - a) The legal name and, if necessary, the trade name of the Verified organization
 - b) The location of the certified PO
 - c) A statement of conformity and the names of the applicable SRP Standard on which the audit was based
 - d) The effective date of the verification and its expiry date

- e) List of sites included in the Verification Statement scope, with company type
- f) Type of product sold
- g) The unique Verification Statement code number generated by the Chain of Custody Database, which corresponds to each successful verification audit.

Annex 1: Verification Process Timeline Rules



Annex 2: Sustainable Rice Platform (SRP) CoC Standard

1. General CoC requirements		
Criterion 1.1 The Participating Operator (PO) shall implement the Chain of Custody requirements within the scope identified.		
Indicator		Guidance
1.1.1	The PO shall identify the scope of the Chain of Custody system.	
1.1.2	The PO shall define the unit of verification, including, in the case of multi-site operators, the number of sites and type(s) of operations covered by the scope of their SRP CoC. When applying the Mass Balance system, a PO shall implement at the level of a single site as per Annex 3. When more than one legal entity operates on a single site, each legal entity shall operate its own mass balance system.	
1.1.3	The PO shall ensure that independent third parties handling SRP products (e.g., outsources, subcontracts, warehouses etc.) all comply with the CoC Standard requirements.	
1.1.4	The PO shall have an agreement with its sites requiring appropriate reporting and communication. This includes contracted operators e.g. outsources, subcontractors, warehouses.	
1.1.5	The PO shall define and document the claim category/ies that will be tracked within the CoC control system.	
Criterion 1.2 The Participating Operator has a system in place to implement CoC requirements.		
Indicator		Guidance
1.2.1	The PO shall identify one person with overall responsibility for the CoC control system, and individual persons responsible for each part of the CoC control system – including but not limited to purchasing and receiving, processing, storage and shipping, marking, delivery and sales, and record-keeping.	
1.2.2	The PO shall develop and maintain documented procedures to ensure conformance with all applicable CoC requirements. The procedures shall be appropriate to the scale and complexity of the PO, covering all sites included in the scope.	
1.2.3	The PO shall retain and report information related to implementation of the SRP CoC standard, including procurement and sales documents, production records and volume summaries, for at least three (3) years.	

1.2.4	The PO shall undertake an annual internal review of performance, including the effectiveness of quality management systems and the conformance of the sites (including outsourced contractors) with the requirements of the SRP CoC standard. In the case of non-conformities, the PO shall take appropriate corrective actions.	
1.2.5	All workers involved in the implementation of the CoC Standard shall be aware and have sufficient knowledge of the SRP CoC requirements based on participation in relevant training.	
1.2.6	The PO shall maintain data on the quantity of tracked products and ensure that the data are made available to the VB. At a minimum, the quantitative information that shall be maintained relating to each reporting period is as follows: <ul style="list-style-type: none"> • purchased SRP-Verified rice • SRP-Verified rice used in processing • waste produced during processing • sold SRP-Verified rice • input and final SRP-Verified rice held in stock. 	

2. Chain of Custody Models

Criterion 2.1 The Participating Operator (PO) shall define the CoC Model used and develop a system to support the selected CoC model.

	Indicator	Guidance
2.1.1	A PO applying the Identity Preservation (IP) CoC model shall demonstrate segregation starting from the producer or producer group level up to point of sale.	
2.1.2	A PO applying the Segregation System CoC model shall demonstrate segregation of SRP-Verified rice from any non-verified rice stored at or passing through its operational sites.	
2.1.3	A PO applying the Mass Balance CoC model shall demonstrate the system is in place and in conformance with the Mass Balance requirements set out in Annex 3.	
2.1.4	The PO shall track and segregate SRP-Verified rice with separate claim categories throughout all processes, including purchasing and receiving, processing, storage and shipping, marking, delivery and sales, and record-keeping.	

3. Data Validation		
Criterion 3.1 The Participating Operator (PO) shall validate the SRP documentation.		
	Indicator	Guidance
3.1.1	The PO shall check the supplier contract, invoice and supporting documentation to ensure the supplied product comes from SRP-verified suppliers and matches the accompanying documentation.	
3.1.2	For each purchase/ receipt of SRP-Verified rice tracked within the CoC control system, the PO shall identify, validate and record at least the following information: <ul style="list-style-type: none"> • identification of supplier(s) • identification of SRP-Verified claim • quantity of delivery • date of delivery • claim category • the supplier's SRP Verification Code, as applicable. 	

4. Data Reconciliation		
Criterion 4.1 The Participating Operator shall record and manage the SRP documentation.		
	Indicator	Guidance
4.1.1	Invoice and/or supporting documentation of incoming SRP-Verified rice shall be received and entered into the PO's system and all transactions shall be listed and subsequently reported to the VB on an annual basis.	
4.1.2	Where applicable, the PO shall use documented conversion rates to calculate the equivalent output weight or volume associated with the received SRP consignment.	
4.1.3	The PO shall maintain the accuracy of any measuring equipment used.	<i>Verification and calibration of the equipment should be done at a specified frequency (for example every 6 months)</i>
4.1.4	The volume of SRP-Verified rice received and the associated sustainability characteristics shall be recorded in the PO's system and follow the process as stated in 4.1.1., after validity has been confirmed (Indicator 3.1.1)	
4.1.5	Allocation of SRP data shall be only to products which are fungible with rice products.	
4.1.6	The PO shall undertake inventories of the input/ output balance of SRP-Verified rice at fixed regular intervals, for each operational site, not exceeding 28 calendar days.	

4.1.7	The volume of SRP-Verified rice received shall be greater or equal to the volume or quantity of SRP-Verified rice supplied to clients over a fixed inventory period of a maximum of 28 calendar days.	
4.1.8	Where the balance of inputs and outputs is positive at the end of the economic operator's inventory period, sustainability data maybe carried into the next inventory period.	
4.1.9	Sustainability data expires three (3) years from the date of entry into the system or when verification of the economic operator ceases, whichever occurs sooner.	

5. Processing

Criterion 5.1 The Participating Operator shall implement the CoC system within its processing activities.

Indicator		Guidance
5.1.1	The PO shall use a tracking system or production records to document product processing for each claim category.	
5.1.2	The PO shall ensure that any off-site processing or handling that takes place at a contracted facility follows the same CoC procedures as implemented by the PO and is covered by a signed outsourcing agreement (described in 1.1.4 of this Annex), requiring conformance with the applicable requirements of this Standard.	
5.1.3	All products that cannot be identified as belonging to one of the claim categories defined in 2.1 above shall be kept separate from all other products until documented evidence of the claim category is obtained.	

6. Shipping and sales

Criterion 6.1 The Participating Operator shall ensure the SRP-Verified rice is sold with correct information in the sales documents.

Indicator		Guidance
6.1.1	The PO shall ensure correct claim information is provided on sales invoices and shipping documents, including the following: <ul style="list-style-type: none"> • Description of the product and the claim category • Quantity of each product per claim category • SRP Verification Code, if applicable. 	
6.1.2	The PO shall ensure the claim category as stated in the sales documents reflects the requirements of the CoC system implemented by the PO. The claim category of an SRP-Verified product cannot be upgraded – even if the supply chain participants use a higher CoC system. Notes: - SRP rice Input (Seg) – Processing system (Seg), claim as Seg or MB - SRP rice Input (MB) – Processing system (MB), claim as MB	

	- SRP rice Input (Seg) – Processing system (MB), claim as MB SRP rice Input (MB) – Processing system (Seg), claim as MB.	
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7. Claims and public information

Criterion 7.1 The Participating Operator shall ensure the SRP-Verified rice is sold with correct claims.

Indicator		Guidance
7.1.1	The PO shall sign a license agreement directly with the VB prior to using any SRP claims or logos.	
7.1.2	All claims and references to SRP made by the PO shall conform with SRP Trademark Rules, as applicable.	
7.1.3	The PO shall submit all draft claims and label design to the SRP Secretariat, which shall approve prior to release..	

8. Multi-site operators

Criterion 8.1 Management system for multi-site operators.

Indicator		Guidance
8.1.1	The Multi-site System Administrator shall document and implement an Internal Management System that guarantees conformance of all the individual sites with the SRP Chain of Custody system. At a minimum, the Internal Management System shall include the following elements: a) An organizational chart illustrating the relationship between the Multi-site System Administrator and each site; b) The Multi-site System Administrator shall internally inspect all sites no less than annually; c) New sites shall undergo an internal inspection and notify the Verification Body by submitting the findings of the internal inspection before being included; and d) For sites that are not under a common ownership structure, consent from each site acknowledging participation in the SRP Chain of Custody system and granting authority to the Multi-site System Administrator for internal inspection and sanction.	
8.1.2	The Multi-site System Administrator shall keep records of the sites included in the scope of its Chain of Custody, including: a) A list of sites including name, location, type of processing, and responsible personnel. b) Status of internal inspections and external audits; and c) Identification of the sanctioned sites.	
8.1.3	The Multi-site System Administrator's Internal Management System shall document and implement procedures for sanctioning sites that do not comply with the SRP Chain of Custody system. Each site shall be informed of the sanction system. A system of progressively more serious sanction measures shall be established, concluding with the exclusion of a site from the Chain of Custody scope.	

Annex 3: Mass Balance Requirements

POs applying Mass Balance as the CoC model shall demonstrate the system is in conformance with the SRP Assurance Scheme. The following additional requirements also apply:

1. Traceability

1.1 All sales and shipment transactions of mass balance materials or products claimed as SRP-Verified rice shall be reported through the Chain of Custody Database. As a minimum, all sales conducted during a calendar quarter shall be registered within 28 calendar days of the end of the respective quarter.

1.2 Mass balance credits are valid for a maximum of three years. If sales exceed purchases, these shall be covered with sufficient purchases of certified inputs by the end of the quarter to make transaction for that quarter.

1.3 When using mass balance, a transaction for purchases of the SRP rice should reflect the content recipe of the packaging. For example, if the SRP rice is 30 percent, the transaction document must be purchased for this rice in the same proportion.

2. Double Counting for Multi-Certified Materials

2.1 If a batch of SRP rice is purchased from a farm with more than one verification scheme (e.g., Organic), then the equivalent volume of material may be sold forward with both certifications attached to the batch. However, the two certifications may not be separated and applied to two separate batches of material, each equivalent in volume to the original purchase, as this would be considered double counting. Volumes entered in the CoC Database as SRP and sold under an alternative scheme shall be recorded in CoC Database "Sold as non-SRP."

3. Conversion Ratio

3.1 If a PO wishes to convert mass balance credits to be used for further processed materials, they shall demonstrate the conversion ratios. Credits may not be converted backward or in any other manner inconsistent with actual processing conversions.

4. Time-Bound Plan

4.1 The PO shall develop a time-bound plan to demonstrate commitment to increasing the percentage of SRP-Verified procurement as a proportion of the claimant's total annual procurement, and eventually transition from the mass balance model to IP or Segregation System. The time-bound plan shall be made available during the CoC audit as part of the CoC evidence.

5. Communication and Claims

5.1 POs implementing the Mass Balance system are not permitted to use the SRP-Verified Label on-pack.

5.2 On-pack claims must comply with SRP Member Communication and Claim/Logo/Label Guidelines as set out in Annex 7 of the SRP Assurance Scheme v 1.3 and the SRP Brand Manual 2020 (both available at www.sustainablerice.org).