



Starbucks® C.A.F.E. Practices

Join Starbucks® ethically sourced coffee market

Coffee is one of the **most widely consumed** beverages in the world. It is grown in more than **70 tropical countries** and enjoyed everywhere and is the **second most exported** commodity worldwide after oil.

Consumers and businesses increasingly want the coffee they drink to support sustainable development. Consequently, a sustainable approach has become a standard in the world of big-name brands' operations.

It is hard to find someone who does not know this popular coffee brand. The company in question is **Starbucks® Corporation**, a well-known American multinational chain of coffeehouses and roastery reserves.

As Starbucks® claims, since 2015, their coffee has been verified as [99% ethically sourced](#), which made them be the largest coffee retailer to achieve this milestone. For ensuring that Starbucks® is sourcing responsibly grown and processed coffee, [Coffee And Farmer Equity \(C.A.F.E.\) Practices](#) standard has been developed in cooperation with SCS Global Services and Conservation International.

The verification programme measures farms against quality, economic, social, and environmental criteria, all designed to promote transparent, profitable and sustainable coffee growing practices while also protecting the well-being of coffee farmers, their communities and our planet.

The C.A.F.E. Practices standard operates on a **points system**, with points awarded for compliance with individual "indicators". 'Verified' supplier status is awarded to those that score below 85 percent, and the suppliers that score 85 percent or greater get "Strategic" supplier status. Strategic suppliers receive enhanced pricing and contract terms by Starbucks®.

Starbucks buys **three percent** of the world's coffee, sourced from more than **400,000 farmers** in more than **30 countries**.

- Source: www.starbucksathome.com

C.A.F.E. Practices

Starbucks® defines sustainability as an economically viable model that addresses the social and environmental needs of all the participants in the supply chain from farmer to consumer. The C.A.F.E. Practices Generic and Smallholder Scorecards encompass a comprehensive set of more than **200 social, economic and environmental indicators**.

Tap into our expertise

Preferred by Nature is an international non-profit organisation working to support better land management and business practices that benefit people, nature, and the climate in 100+ countries.

For almost **30 years**, we have been working to foster sustainable land use and responsible trade in forest commodities. We have certified over **80 million** hectares of forests and over **800,000 farmers**. Our customers include retailers, food producers and traders, multinational multi-site, and group certificate holders, as well as small companies and smallholders.



Starbucks® reached the milestone of **99% ethically sourced coffee** in 2015.



Coffee And Farmer Equity (C.A.F.E.) Practices programme includes a third-party verification process. Preferred by Nature is a **credible and independent third party verification body approved** to check your compliance with the standards set by the C.A.F.E. Practices.

Seven steps to verification:

1. Contact Preferred by Nature and get the information needed about Coffee And Farmer Equity (C.A.F.E.) Practices programme. Our specialists are always ready to answer your questions about system rules and requirements of the programme.
2. Implement the rules of Coffee And Farmer Equity (C.A.F.E.) Practices programme and instruct your staff to follow them.
3. Send an application to Starbucks® and provide all information required.
4. Apply for verification by Preferred by Nature.
5. We conduct a verification on-site: interview your staff, review documentation and visit your sales, production and storage facilities.
6. We prepare a report with the audit findings. Upon your approval of the report, it is delivered to Starbucks®.
7. Starbucks® Coffee Company reviews the report to determine the rating and C.A.F.E. Practice status.

We are a certification body approved to conduct audits for a number of certification programmes, including agricultural schemes such as [Rainforest Alliance Sustainable Agriculture](#). We service companies of all sizes dealing with various agricultural products, for example, coffee.

Our work includes the development of practical solutions to drive positive impacts in production landscapes and supply chains. We do this through innovative projects, capacity building and sustainability services.

We have created a universal framework to ensure big and small companies can optimise their positive impact. Our [Sustainability Framework](#) can put any business on the path - from legal compliance to best practice.

Depending on the location in the supply chain, businesses can use the framework in different ways. While highlighting the high-risk areas that need attention, the Sustainability Framework helps businesses filter out low-risk indicators so that they can target their efforts where they will make the biggest impact.

Focus on customer experience

Our aim is to provide you with professional services, delivered on time and of high quality. We will keep you up to speed on evolving certification requirements through client updates and provide you with the full support that you need to understand and fulfil your certification commitments.





C.A.F.E Practices Q&As

What is Starbucks® C.A.F.E. Practices standard?

[Coffee And Farmer Equity \(C.A.F.E.\) Practices standard](#) has been developed for ensuring that Starbucks® is sourcing sustainably grown and processed coffee. The verification programme measures entities who would like to cooperate with Starbucks® against economic, social and environmental criteria, all designed to promote transparent, profitable and sustainable coffee growing practices.

What are the key roles and responsibilities within Starbucks® C.A.F.E. Practices?

This verification scheme was developed by [Starbucks® Coffee Company](#), in cooperation with SCS Global Services and Conservation International.

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Preferred by Nature is a credible and independent third-party verification body approved to check compliance against the standards set by the C.A.F.E. Practices.

Which verification criteria apply to my company?

The selected producers, processors and suppliers that together represent the Starbucks® coffee supply chain are evaluated against the criteria that encompass a comprehensive set of more than **200 social, economic and environmental indicators**.

The standard operates on a **points system**, with points awarded for compliance with individual "indicators". 'Verified supplier' status is awarded to those that score below 85 percent and suppliers that score 85 percent or greater get 'Strategic supplier' status.

The suppliers with the required score maintain **long-term commercial relationships with Starbucks®** and, depending on the type of entity, the verification may be valid for up to two years if they are evaluated at harvest season.

There are **four Starbucks® criteria areas**:

Economic Transparency

1

- Suppliers are required to submit evidence of payments made for coffee beans throughout the supply chain, including how much was paid directly to farmers for their coffee.
- Because of economic transparency, Starbucks® knows which farms the beans come from, the names of the farmers and the price paid to each of them for the coffee.

Social Responsibility

2

- Coffee farmers need to protect the rights of people working on their farms and must have measures in place that promote a safe, fair and humane work environment. This includes criteria around wages and benefits, hiring practices, hours of work, use of protective equipment, access to medical care and education.
- Permanent and temporary/seasonal workers must be paid at least the nationally or regionally established minimum legal wage on a regular basis.
- There is zero tolerance for any form of child labour.



Environmental Leadership

3

- With growing and processing coffee, the programme promotes sustainable agricultural practices including measures to protect water quality, improve soil health, preserve biodiversity, reduce agrochemical use and conserve water and energy.
- There is zero tolerance for conversion of natural forest to agricultural production since 2004 and use of prohibited pesticides.
- Following C.A.F.E. Practices Environmental Leadership measures, like maintaining shade trees and ground cover to prevent soil erosion during heavy rains, help farmers to adapt to the impacts of climate change.

Quality

4

- All coffee must pass Starbucks® standards for high quality.
- Starbucks® only sources, roasts and sells the highest quality arabica coffee.
- Starbucks® pays premiums that support farmer profitability above commercial market price. These premiums are driven by the fact Starbucks® buys premium quality coffee that is verified as ethically sourced by C.A.F.E. Practice standards. Starbucks® also pays additional premiums to reward supply chains that reach the highest performance level and show continuous improvement in C.A.F.E. Practices.

What is the cost structure?

The auditing fee depends on the size and complexity of the verified company. Upon evaluating these aspects, your local Preferred by Nature contact person will provide you with a proposal specifying the cost structure.

What about confidentiality and quality assurance?

Preferred by Nature Quality Management System includes a number of [policies](#) and procedures that allow our organisation to provide **assurance services** in a credible way in compliance with external requirements. These include [Impartiality Policy](#), which is to ensure impartiality, transparency and independence in all of our activities, [Confidentiality Policy](#), describing our rigorous approach to safeguarding confidential data and information provided by our clients, and [Anti-corruption Policy](#), which establishes control to ensure our employees behave ethically and with integrity.

To check organisation's compliance with the standards set in evaluation schemes, including the C.A.F.E. Practices, auditors will **need access to confidential information**. Our evaluation procedures aim to maintain the trust of our clients that commercially sensitive and other types of confidential information received, from them or from other sources, will not be revealed to unauthorised parties. All Preferred by Nature's personnel is required to sign a confidentiality agreement with Preferred by Nature where they agree to maintain complete confidentiality in terms of all client documentation, interviews, conversations and any information related to the certification/verification audit process pertaining to the organisation/source being evaluated.

What does the verification process entail?

The verification process, including reporting, may take 2-5 months, depending on the complexity of the supply chain and the level of conformity

Application
to Starbucks®

Producers who are interested in being a supplier-processor need to send an **e-mail directly to Starbucks®** at CAFEPac@starbucks.com. In their response, Starbucks® will provide an application form to the producer or request more details.

Then, the producer submits the completed **application to Starbucks®** detailing the entire coffee supply chain and committing to implement C.A.F.E. Practices guidelines.



Starbucks® reviews producer's application, evaluates the coffee quality, and - if all the prerequisites are met - an **ID number** is given to the applicant.

The application is then sent to the producer for **approval**, together with documents required for further steps of the process. The producer approves the application and sends information requested by Starbucks®.

Application
to verification
organisation



Approved third-party organisations, such as Preferred by Nature, conduct **inspections** at farms milling facilities and warehouses within the supply chain to verify the compliance with the standards set for the C.A.F.E. Practices.

As required, the **producer needs to choose a verification organisation** and communicate their choice to Starbucks®, along with the established verification date.

With Preferred by Nature chosen, the **quote** and **service agreement** ([ENG](#) | [SPA](#)) are signed, and the producer makes **payment** for verification services.

Starbucks® assigns a **security code** that is provided to the verification organisation, who can then work in the Starbucks® system with the producer's application.

Once the offer is approved and an agreement signed, the verification organisation must **claim the application in the Verifier Reporting System** (at least five business days in advance before commencing field inspections) to check the producer's compliance with the standards set for the C.A.F.E. Practices.

Report



Verifiers develop C.A.F.E. Practices **report** online at VRS [<http://cafepactices.info>], which is then delivered to the producer for **approval** between 20 and 30 business days from the end of the supply chain verification. At this stage, the producers have 10 business days to review and approve reports. This may be longer if the supply chain is extremely large.

Upon the approval of the report by the producer, it is delivered to Starbucks®.

Starbucks® Coffee Company will then **review the report** to determine the rating and C.A.F.E. Practice status.

Cooperation
with Starbucks®

Upon the review, Starbucks® assigns C.A.F.E. Practice **status**: 'Verified' or 'Strategic' supplier.

Once approved, producers are responsible for upholding C.A.F.E. Practices. They are invited to work with Starbucks® Farmer Support Center on their continuous improvement work plans to improve their status in C.A.F.E. Practices.

How can I maintain my active status in the programme?

C.A.F.E. Practices is a **verification programme**, not a one-time certification system, as Starbucks® believes there is always more work to do to ensure the long-term supply of high-quality coffee and to positively impact farming communities.

To maintain an active status in the programme, each supply chain is required to undergo **re-verification** regularly, with frequency dictated by their performance in the programme.

For small and medium entities, the validity status is 2 years, for both 'Strategic' and 'Verified' suppliers.

Verified supply chains that would like to re-choose Preferred by Nature as a verification body would need to contact us again during the application process.