

# GLOBALG.A.P.

# **System Participation Fees Guideline**

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# **1 DEFINITIONS**

The following definitions are relevant when calculating the system participation fees for the Integrated Farm Assurance (IFA) standard v6 and the GRASP v2 add-on.

The production area is the surface on which a crop registered for certification is cultivated.

The *productive area* is the part of the production area on which harvest occurs during a growing cycle in the period covered by a valid certificate. The production area may be bigger than the productive area, e.g., if only part of an orchard bears fruit because the rest of the plantation was recently planted.

The number of growing cycles refers to the number of harvest seasons in the productive area.

It is considered more than one growing cycle when one of the following applies:

- More than one crop (the same or different crops consecutively) is cultivated on the same area during the period covered by a valid certificate, i.e., the same land is used to generate more than one harvest per year.
- In one area, more than one crop is consecutively grown and harvested during the period covered by a valid certificate. For example, tomatoes, lettuces, and capsicums are consecutively grown in the same greenhouse.

It is considered one growing cycle when one of the following applies:

- There is *continuous harvesting* of a crop in a given area. For example, a banana plantation is continuously harvested during the period covered by a valid certificate.
- The same plant bears fruit more than once during the year and is harvested more than once during the period covered by a valid certificate.

The GRASP fee is calculated based on the number of workers the producer uses during the period covered by a valid certificate.

GRASP glossary definition of *core family member*: persons who are related in a direct line to the producer (this does not apply to employed managers) and live in the same household as the producer. May include parents, spouses, siblings, and children, but does not include aunts/uncles, cousins, or other relatives.

The base fee is applicable to core family members.

GRASP glossary definition of *worker*: any person that provides labor activities to a producer in exchange for payment. This includes permanent, casual, seasonal, apprentice, subcontracted, migrant, piece-rate workers and those receiving some form of "in-kind" payment.



The total number of workers is the number of workers that was recorded by the GRASP assessor in the previous GRASP assessment report. The GRASP system participation fee is calculated based on the (sum) total number of workers at the end of the previous year (previous season). In the first year (initial GRASP assessment) the fee will be calculated based on the estimated total number of workers at the end of the first year.

Example: An extended family (producer, spouse, three sons, and the grandfather) live in the same household on the farm. The producer's brother and sister-in-law also live on the farm in a separate dwelling. The producer, spouse, the grandfather, and brother work on the farm. The fee will be determined by the base fee (producer, spouse, and grandfather) plus the fee for the brother as a worker. Therefore, the fee will be €25.

# 2 EXAMPLE CALCULATIONS

The system participation fee is applicable to individual producers (Option 1) and producer groups (Option 2). It is not applicable to producer group members. The system participation fee is a single fee that covers the registration and the certification/assessment of individual producers or producer groups. For producer groups, the information of the producer group members is aggregated to calculate the system participation fee for the group.

For the plants scope product categories, e.g., fruit and vegetables, flowers and ornamentals, and hops, the productive area of the individual products and the number of growing cycles are used to calculate the relevant area in hectares.

These fees are also applicable to producers who are certified to a benchmarked scheme/checklist.

For the aquaculture scope, the annual quantity at the point of harvest per farmed aquatic species is used to calculate the relevant amount in metric tons.

The system participation fee is aggregated across product categories, including the productive area of the individual product and the number of growing cycles for plants, or annual quantities in metric tons at the point of harvest for aquaculture.

# Scenario 1

Three hectares of apples and one hectare of pears (individual producer (Option 1), IFA v6 for fruit and vegetables, both products being produced noncovered, one growing cycle each).

Since both products are produced in one growing cycle, the productive area of noncovered apples and pears is multiplied by one to obtain the number of noncovered hectares that are relevant for the system participation fee:

Apples: 3ha x 1 = 3ha

Pears:  $1ha \times 1 = 1ha$ 



Since both products are in the same product category (fruit and vegetables) and the noncovered areas of both are relevant for the system participation fee and because the area is aggregated:

Apples + pears ha of noncovered area relevant for the system participation fee: 3ha + 1ha = 4ha

According to the fee tables the following fees apply:

Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
4ha (apples and pears) of	€50	€60	US\$108	US\$135
noncovered area relevant for the system participation	[Base fee for up to 50ha]	[Base fee for up to 50ha]	[Base fee for up to 25ha]	[Base fee for up to 25ha]
fee for an individual producer (Option 1)	4ha ≤ 50ha, base fee €50	4ha ≤ 50ha, base fee €60)	4ha ≤ 25ha (62 acres), base fee US\$108)	4ha ≤ 25ha (62 acres), base fee US\$135)

# Conclusion

- If this producer is located outside the USA/Canada and their production processes are certified to IFA v6 Smart, the system participation fee is €50.
- If this producer is located outside the USA/Canada and their production processes are certified to IFA v6 Smart and IFA v6 GFS, the system participation fee is €50 + €60.
- If this producer is located in the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is US\$135.
- If this producer is located in the USA/Canada and their production processes are certified to IFA v6 Smart and IFA v6 GFS, the system participation fee is US\$108 + US\$135.



Three hectares of lettuce (individual producer (Option 1), IFA v6 for fruit and vegetables, product being produced **covered**, three growing cycles) and four hectares of indoor grown flowers (individual producer (Option 1), IFA v6 for flowers and ornamentals, product being produced **covered**, two growing cycles)

Since both products have multiple growing cycles, each productive area of covered lettuce and indoor grown flowers is multiplied by the number of growing cycles to obtain the number of hectares of covered area that are relevant for the system participation fee:

Lettuce:  $3ha \times 3 = 9ha$ 

Indoor grown flowers:  $4ha \times 2 = 8ha$ 

Since both products are in different product categories the hectares of covered area relevant for the system participation fee are not aggregated.

According to the fee tables the following fees apply:

Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
9ha (lettuce) of covered	€90	€110	US\$194.40	US\$243
area relevant for the system participation fee for an individual producer	[(Base fee for 5ha) + (additional ha x unit fee 1)]	[(Base fee for 5ha) + (additional ha x unit fee1)]	[(Base fee for 5ha) + (additional ha x unit fee 1)]	[(Base fee for 5ha) + (additional ha x unit fee 1)]
(Option 1)	€50 + (4 x €10) = €50 + €40 = €90	€60 + (4 x €12.50) = €60 + €50 = €110	\$108 + (4 x \$21.60) = \$108 + \$84.40 = \$194.40	\$135 + (4 x \$27) = \$135 + \$108 = \$243
8ha (indoor grown flowers)	€630	n/a	US\$945	n/a
of covered area relevant for the system participation fee for an individual producer (Option 1)	[(Base fee for 0.5ha) + (additional ha x unit fee 1 up to 5ha) + (additional ha x unit fee 2 up to 8ha)]	(Flowers are excluded from IFA v6 GFS)	[(Base fee for 0.5ha) + (additional ha x unit fee1 up to 5ha) + (additional ha x unit fee 2 up to 8ha)]	(Flowers are excluded from IFA v6 GFS)

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Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
	€60 + (4.5ha x €120) + (3ha x €10) = €60 + €540 + €30 = €630		\$90 + (4.5ha x \$180) + (3ha x \$15) = \$90 + \$810 + \$45 = \$945	
Total system participation fee for an individual producer (Option 1)	€90 + €630 = €720	€110	US\$194.40 + US\$945 = US\$1,139.40	US\$243

- If this producer is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart, the system participation fee is €720.
- If this producer is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart for fruit and vegetables and flowers and ornamentals and IFA v6 GFS for fruit and vegetables, the system participation fee is €720 + €110 = €830.
- If this producer is located outside of the USA/Canada their production processes are certified to IFA v6 GFS for fruit and vegetables and IFA v6 Smart for flowers and ornamentals, the system participation fee is €110 + €630 = €740
- If this producer is located in the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is US\$243 (this excludes IFA v6 Smart for flowers and ornamentals)
- If this producer is located in the USA/Canada and their production processes are certified to IFA v6 Smart for fruit and vegetables and flowers and ornamentals and IFA v6 GFS for fruit and vegetables, the system participation fee is US\$1,139.40 + US\$243 = US\$1,382.40



A producer group (Option 2) has 100 producers group members with production processes certified to IFA v6 for fruit and vegetables. Each of the 100 producer group members grows 20ha lettuce, noncovered, in two growing cycles.

(Please note: This example has been simplified for the calculation. In practice, the production area as well as the growing cycles may be different for each producer group member, which may mean that a different area is relevant for the system participation fee for the producer group, which is the sum of the individual production area times the individual growing cycles across all producer group members.)

50 producer group members are also assessed to GRASP v2 and these 50 producer group members have a total number of 1,001 workers.

Since each producer group member grows the product in two growing cycles, the productive area for noncovered lettuce is multiplied by two to obtain the noncovered area that is relevant for the system participation fee for the producer group:

Lettuce:  $20ha \times 100$  members x 2 growing cycles = 4,000ha

According to the fee tables the following fees apply:

Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
4,000ha (lettuce) of	€6,000	€,7500	US\$7,640	US\$9,550
noncovered area relevant for the system participation fee for the producer group (Option 2)	[(Base fee for 200ha) + (additional ha x unit fee1 up to 1,000ha) + (additional ha x unit fee 2 up to 4,000ha)]	[(Base fee for 200ha) + (additional ha x unit fee1 up to 1,000ha) + (additional ha x unit fee 2 up to 4,000ha)]	[(Base fee for 350ha) + (additional ha x unit fee1 up to 700ha) + (additional ha x unit fee 2 up to 4,000ha)]	[(Base fee for 350ha) + (additional ha x unit fee1 up to 700ha) + (additional ha x unit fee 2 up to 4,000ha)]
	€400 + (800ha x €4) + (3,000ha x €0.8) = €400 + €3200 + €2,400 = €6,000	€500 + (800ha x €5) + (3,000ha x €1) = €500 + €4000 + €3,000 = €7,500	\$800 + (350ha x \$12) + (3300ha x \$0.8) = \$800 + \$4200 + \$2,640 = \$7,640	\$1,000 + (350ha x \$15) + (3,300ha x \$1) = \$1,000 + \$5,250 + \$3,300 = \$9,550



Scenario	GLOBALG.A.P. system participation fee for GRASP v2	GLOBALG.A.P. North America system participation fee for GRASP v2
1,001 workers relevant for	€1,000.10	US\$1,500.15
the system participation fee	[(Base fee for 25 workers) + (additional workers x unit fee 1 up to 1,000 workers) + (additional workers x unit fee 2 up to 1,001 workers)]	[(Base fee for 25 workers) + (additional workers x unit fee 1 up to 1,000 workers) + (additional workers x unit fee 2 up to 1,001 workers)]
	€25 + (975 x €1) + (1 x €0.10) = €25 + €975 + €0.01 = €1,000.10	US\$37.50 + (975 x US\$1.50) + (1 x US\$0.15) = US\$37.50 + US\$1,462.50 + US\$0.15 = US\$1,500.15

- If this producer group is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart, the system participation fee is €6,000.
- If this producer group is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart and IFA v6 GFS, the system participation fee is €6,000 + €7,500 = €13,500.
- If this producer group is located outside of the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is €7,500.
- If this producer group is located in the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is US\$9,550.
- If this producer group is located in the USA/Canada and their production processes are certified to IFA v6 Smart and IFA v6 GFS, the system participation fee is US\$7,640 + US\$9,550 = US\$17,190.

Additional system participation fee for the GRASP v2 assessment:

- If the producer group members are located outside of the USA/Canada the fee is €1,000.10.
- If the producer group members are located in the USA/Canada the fee is US\$1,500.15.



5,000 metric tons of Atlantic salmon (individual producer (Option 1), IFA v6 for aquaculture). The farm also produces seedlings – ova (about 1,000,000 organisms) and juveniles (about 400,000 organisms). The product production processes (incl. the development stages) is IFA v6 certified.

Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
5,000 metric tons of	€1,000	€1,225	US\$1,500	US\$1,860
Atlantic Salmon relevant for the system participation fee for an individual producer (Option 1, excl.	[(Base fee for 500mt) + (additional mt x unit fee 1 up to 10,000mt)]	[(Base fee for 500mt) + (additional mt x unit fee 1 up to 10,000mt)]	[(Base fee for 500mt) + (additional mt x unit fee 1 up to 10,000mt)]	[(Base fee for 500mt) + (additional mt x unit fee 1 up to 10,000mt)]
molluscs)	€100 + (4,500mt x €0.20) = €100 + €900 = €1,000	€100 + (4,500mt x €0.25) = €100 + €1,125 = €1,225	US\$150+(4,500mt x US\$0.30) = US\$150 + US\$1,350 = US\$1,500	US\$150 + (4,500mt x US\$0.38) = US\$150 + US\$1,710 = US\$1,860
Seedlings – ova	€100	€100	US\$150	US\$150
Seedlings – juveniles	€100	€100	US\$150	US\$150
**Total system participation fee	€1,000 + €100 + €100 = €1,200	€1,225 + €100 + €100 = €1,425	US\$1,500 + US\$150 + US\$150 = US\$1,800	US\$1,860 + US\$150 + US\$150 = US\$2,160



- If this producer is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart, the system participation fee is €1,200.
- If this producer is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart and IFA v6 GFS, the system participation fee is €1,200 + €1,425 = €2,625.
- If this producer is located in the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is US\$2,160.
- If this producer is located in the USA/Canada and their production processes are certified to IFA v6 Smart and IFA v6 GFS, the system participation fee is US\$1,800 + US\$2,160 = US\$3,960.

\*\*Please note that the GRASP fee always applies for IFA v6 for aquaculture because IFA v6 Smart and IFA v6 GFS require the producer to pass a GRASP assessment.

#### Scenario 5

A producer group (Option 2) has 700 producers group members with production processes certified to IFA v6 for fruit and vegetables. The producer group members grow a wide range of products (aubergine, capsicum, cucumber, and tomato) on 713ha.

161ha are noncovered crops and 522ha are covered crops.

658 producer group members are also assessed to GRASP v2 and these producer group members have a total of 1,151 workers.

Based on the growing cycles for the covered crops (aubergine, capsicum, cucumber, and tomato) an additional 123ha are added to the 522ha. A total of 645ha is used to calculate the fee for covered crops.

Based on the growing cycles for the noncovered crops (tomato and capsicum) an additional 7ha are added to the 161ha. A total of 168ha is used to calculate the fee for noncovered crops.

According to the fee tables the following fees apply:



Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
645ha of covered area	€3,235	€4,280	US\$4,344	US\$5,430
relevant for the system participation fee for the producer group (Option 2)	[(Base fee for 20ha) + (additional ha x unit fee1 up to 100ha) + (additional ha x unit fee 2 up to 645ha)]	[(Base fee for 20ha) + (additional ha x unit fee1 up to 100ha) + (additional ha x unit fee 2 up to 645ha)]	[(Base fee for 70ha) + (additional ha x unit fee1 up to 100ha) + (additional ha x unit fee 2 up to 645ha)]	[(Base fee for 70ha) + (additional ha x unit fee1 up to 100ha) + (additional ha x unit fee 2 up to 645ha)]
	€400 + (80ha x €15) + (545ha x €3) = €400 + €1,200 + €1,635 = €3,235	€500 + (80ha x €20) + (545ha x €4) = €500 + €1,600 + €2,180 = €4,280	US\$800 + (30ha x US\$60) + (545ha x US\$3.20) = US\$800 + US\$1,800 + US\$1,744 = US\$4,344	US\$1,000 + (30ha x US\$75) + (545ha x US\$4) = US\$1,000 + US\$2,250 + US\$2,180 = US\$5,430
168ha of noncovered area	€400	€500	US\$800	US\$1,000
relevant for the system participation fee for the producer group (Option 2)	[Base fee covers 168ha]			



Scenario	GLOBALG.A.P. system participation fee for GRASP v2	GLOBALG.A.P. North America system participation fee for GRASP v2
1,151 workers relevant for	€1,015.10	US\$1,522.64
the system participation fee	[(Base fee for 25 workers) + (additional workers x unit fee 1 up to 1,000 workers) + (additional workers x unit fee 2 up to 1,151 workers)]	[(Base fee for 25 workers) + (additional workers x unit fee 1 up to 1,000 workers) + (additional workers x unit fee 2 up to 1,151 workers)]
	€25 + (975 x €1) + (151 x €0.10) = €25 + €975 + €15.10 = €1,015.10	US\$37.50 + (975 x US\$1.50) + (151 x US\$0.15) = US\$37.50 + US\$1,462.50 + US\$22.65 = US\$1,522.65

A producer group (Option 2) has six producer group members with production processes certified to IFA v6 for fruit and vegetables, produces cucumbers, tomatoes, and capsicums. Four of the producer group members produce cucumbers as covered crops, all six producer group members produce tomatoes as covered and noncovered crops. All six producer group members are also assessed to GRASP v2 and have a total of number of 10 workers.

For each producer group member, the productive area is multiplied by the number of growing cycles – for both the noncovered and covered crops. The calculations are done separately for each product and crop type of each producer group member. The table below illustrates the calculations:

Product	Producer group member	Crop type	Hectares produced	Growing cycles	Hectares crop type x growing cycle
Cucumbers	#1	Covered crops in hectare	0.9	2	1.8
Cucumbers	#2	Covered crops in hectare	0.5	2	1
Cucumbers	#3	Covered crops in hectare	1.8	3	5.4
Cucumbers	#4	Covered crops in hectare	0.8	1	0.8



Product	Producer group member	Crop type	Hectares produced	Growing cycles	Hectares crop type x growing cycle	
Capsicums (Peppers/Chillies)	#1	Noncovered crops in hectares	0.5	1	0.5	
Capsicums (Peppers/Chillies)	#2	Noncovered crops in hectares	0.3	2	0.6	
Capsicums (Peppers/Chillies)	#3	Noncovered crops in hectares	1.5	2	3	
Capsicums (Peppers/Chillies)	#4	Noncovered crops in hectares	1.3	1	1.3	
Capsicums (Peppers/Chillies)	#5	Noncovered crops in hectares	0.4	1	0.4	
Capsicums (Peppers/Chillies)	#6	Noncovered crops in hectares	0.4	1	0.4	
Tomatoes	#1	Noncovered crops in hectares	0.9	2	1.8	
Tomatoes	#2	Noncovered crops in hectares	2.5	2	5	
Tomatoes	#3	Noncovered crops in hectares	10.5	2	21	
Tomatoes	#4	Noncovered crops in hectares	1.6	2	3.2	
Tomatoes	#1	Covered crops in hectares	0.5	3	1.5	
Tomatoes	#2	Covered crops in hectares	0.4	4	1.6	
Tomatoes	#3	Covered crops in hectares	4.9	1	4.9	
Tomatoes	#4	Covered crops in hectares	1	1	1	
		Producer group's total productive are	ea for covered crops	in hectares:	18	
	Producer group's total productive area for noncovered crops in hectares:					



The producer group is invoiced for their total of 18 hectares of covered crops and for their total of 37.2 hectares of noncovered crops. According to the fee table the following fees apply:

Scenario	GLOBALG.A.P. system participation fee for IFA v6 Smart	GLOBALG.A.P. system participation fee for IFA v6 GFS	GLOBALG.A.P. North America system participation fee for IFA v6 Smart	GLOBALG.A.P. North America system participation fee for IFA v6 GFS
37.2ha noncovered area relevant for the system participation fee for the producer group (Option 2)	€400 (Base fee €400. Since 37.2ha ≤ 200ha included in the base fee, no further unit fee applies)	€500 (Base fee €500. Since 37.2ha ≤ 200ha included in the base fee, no further unit fee applies)	US\$800 (Base fee US\$800. Since 37.2ha ≤ 350ha included in the base fee, no further unit fee applies)	US\$1,000 (Base fee US\$1,000. Since 37.2ha ≤ 350ha included in the base fee, no further unit fee applies)
18ha covered area relevant for the system participation fee for the producer group (Option 2)	€400 (Base fee €400. Since 18ha ≤ 20ha included in the base fee, no further unit fee applies)	€500 (Base fee €500. Since 18ha ≤ 20ha included in the base fee, no further unit fee applies)	US\$800 (Base fee US\$800. Since 18ha ≤ 70ha included in the base fee, no further unit fee applies)	US\$1,000 (Base fee US\$1,000. Since 18ha ≤ 70ha included in the base fee, no further unit fee applies)
Total system participation fee for the producer group (Option 2)	€400 + €400 = €800	€500 + €500 = €1,000	US\$800 + US\$800 = US\$1,600	US\$1,000 + US\$1,000 = US\$2,000

For the total of 10 workers, the following GRASP fee applies:

Scenario	GLOBALG.A.P. system participation fee for GRASP v2	GLOBALG.A.P. North America system participation fee for GRASP v2
10 workers relevant for the system participation fee	€25 (Base fee €25. Since 10 workers ≤ 25 workers included in the base fee, no further unit fee applies)	US\$37.50 (Base fee US\$37.50. Since 10 workers ≤ 25 workers included in the base fee, no further unit fee applies)



- If the producer group is located outside of the USA/Canada and their production processes are certified to IFA v6 Smart, the system participation fee is €800.
- If the producer group is located outside of the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is €1,000.
- If the producer group is located in the USA/Canada and their production processes are certified to IFA v6 Smart, the system participation fee is US\$1,600.
- If the producer group is located in the USA/Canada and their production processes are certified to IFA v6 GFS, the system participation fee is US\$2,000.

Additional system participation fee for the GRASP v2 assessment:

- If the producer group is located outside of the USA/Canada the fee is €25.
- If the producer group is located in the USA/Canada the fee is US\$37.50

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