



# PGS GUIDELINES

*HOW PARTICIPATORY GUARANTEE SYSTEMS CAN DEVELOP AND FUNCTION*

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***Please Note :***

The opinions expressed in this publication do not necessarily represent an IFOAM approved position

Published in Germany by IFOAM.

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The development and revision of the publication was supported by the “IFOAM-Growing Organic” program (I-GO), funded by Hivos and the Dutch Government, both from the Netherlands.

Die Deutsche Bibliothek – CIP Cataloguing-in-Publication-Data

A catalogue record for this publication is available from Die Deutsche Bibliothek

**ISBN 978-3-940946-04-1**

A download of the complete publication is available via the IFOAM web shop at [www.ifoam.org/bookstore](http://www.ifoam.org/bookstore) for a fee of 4 Euros.

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## **ACKNOWLEDGEMENTS**

Organic producers and the people who consume organic products from around the world have contributed both directly and indirectly to the development of these Guidelines. It is their ever growing involvement and commitment to Organic Agriculture that has stimulated and refreshed our approach to the way the organic guarantee process is applied.

This publication was commissioned and funded by IFOAM through its “IFOAM-Growing Organic” program (I-GO), funded by Hivos, Netherlands and the “Fund for Sustainable Biodiversity Management” of the Dutch Government, managed by Hivos and NOVIB.

A special thank you to all the IFOAM PGS Task Force members, past and present, for their dedicated voluntary work and valuable contributions in documenting and developing the PGS ideas within IFOAM.

## ***DEFINITIONS***

### **Participatory Guarantee Systems**

PGSs are quality assurance initiatives that are locally relevant, emphasize the participation of stakeholders, including producers and consumers and operate outside the frame of third party certification.

### **Peer Review**

A process whereby people in similar situations (in this case small holder producers) in some way assess the production practices of their peers. The process can be formal or informal.

### **Local and domestic markets**

These markets that are found within national borders. Generally local refers to markets in which a producer might link directly to consumers whereas domestic is a broader term that might include more distant or indirect marketing (through an intermediary).

### **Small holder**

A widely used term that has many interpretations. For this document it refers to producers with small land parcels or part-time producers. It also describes producers who run family farms as opposed to large scale farms (plantations etc).

### **Producer/farmer**

The term producer is used in this document to describe farmers and may in some situations also include small scale processors or handcrafters. In most PGS situations, the raw materials used in processing are produced by the farmers and their families or by other PGS producers within the same community.

## **ABBREVIATIONS**

<b>CNG</b>	Certified Naturally Grown
<b>FAQ</b>	Frequently Asked Questions
<b>IFOAM</b>	International Federation of Organic Agriculture Movements
<b>IBS</b>	IFOAM Basic Standards
<b>MAELA</b>	Latin America Agro-Ecology Movement
<b>OFNZ</b>	Organic Farm New Zealand
<b>N&amp;P</b>	Nature et Progrès (France)
<b>NSOP</b>	National Standards for Organic Produce (India)
<b>PGS</b>	Participatory Guarantee System
<b>TF</b>	Task Force
<b>USDA</b>	United States Department of Agriculture

## **1 INTRODUCTION**

The terminology and conceptual framework for describing Participatory Guarantee Systems (PGS) developed from the IFOAM/MAELA sponsored 'Alternative Certification' workshop that was held in Brazil in 2004. Here the dynamics of the different 'alternative' organic certification systems from around the world were discussed and their common features identified and celebrated. Through this activity a strategy evolved to help move the concept, of what has now become known as PGS, forward. The term PGS embodies what many of these 'alternative' systems have in common which is the active participation of producers and other stakeholders in their organic guarantee process. The PGS provides a framework with which group marketing and various community strengthening activities can be facilitated.

The impetus to describe and promote PGSs has included the formation of an IFOAM sponsored Task Force (TF) to help facilitate this process and since 2004 both IFOAM and MAELA have worked to promote the development of PGSs.

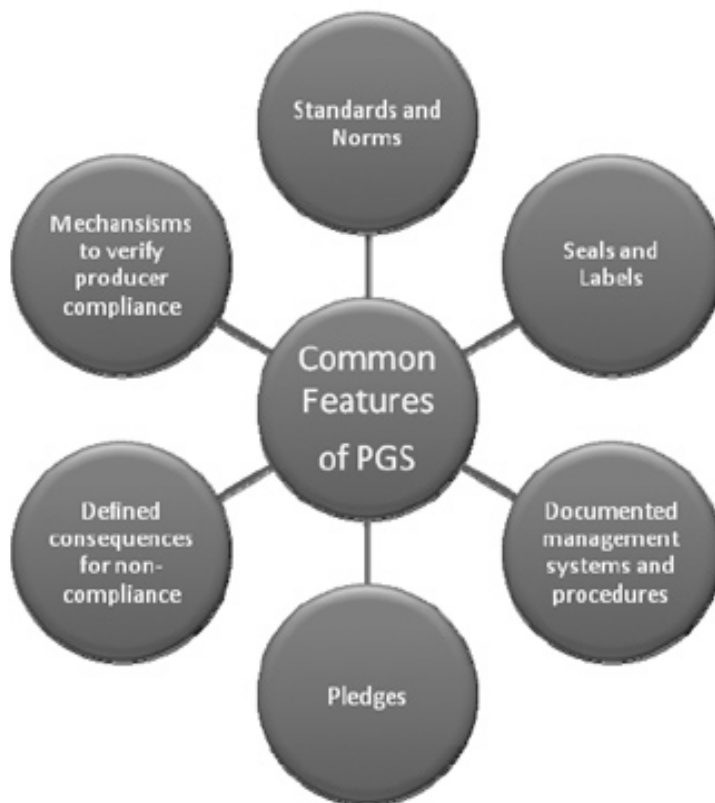
Support has grown around the world for the idea that PGSs provides a credible, relevant and cost effective mechanism through which producers can provide an organic guarantee to consumers. IFOAM and MAELA have supported this process to ensure that organic producers have access to organic guarantee options that best suit their needs. Thus, for local organic markets PGSs are now regarded alongside individual and third party as a viable organic guarantee option.

PGSs are already operating in Brazil and other Latin American countries as well as the USA, India, New Zealand, South Africa and Europe. There are new PGSs being developed in East Africa and Australia. Examples will be drawn from these models to illustrate the various features and characteristics of the different PGSs.

This document illustrates the commonalities of these many PGSs and should be read in conjunction with the IFOAM publications "Participatory Guarantee Systems - Case Studies from Brazil, India, New Zealand, USA" and Participatory Guarantee System FAQs".

## 2 UNDERSTANDING THIS GUIDELINE

PGSs have developed independently in different countries and cultural contexts in response to various challenges that are being faced by organic producers. Even though these PGSs developed independently for different reasons and may be diverse in the ways they operate their organic guarantee processes they also have a number of common features. The commonalities include standards and norms, pledges, documented management systems and procedures, mechanisms to verify producer compliance, seals and labels, and defined consequences for non-compliance.



*Diagram 1 : Common Features of PGSs*

These common features which have evolved separately and through various sets of complex circumstances have come to be regarded as the baseline indicators used to describe/recognise PGSs. Depending on the PGS, the level of documentation of the different features may vary. Because there are many different approaches to development and application of these common features it is not possible (nor the intention of these Guidelines) to prescribe a single approach. This document aims to describe how PGSs have been developed and applied in different situations around the world, specifically drawing from the PGS models developed and documented in Brazil (Ecovida Agroecology Network), USA (Certified Naturally Grown), India (Keystone Foundation) and New Zealand (Organic Farm New Zealand).

It is important to appreciate that PGSs, like any other quality assurance system, should be dynamic and therefore always open to review and change. Ecovida describes this process in their manual when they say “it is always good to remember that the rules described did not come about suddenly, but are the result of intense discussions between the “key stakeholders” involved in the process of developing the PGS”. The ongoing impact of this process is reflected in the way ECOVIDA has recognised regional differences and continued to refine their systems allowing for continuous improvement of the certification methodology.

### 3 PGS BASIC ELEMENTS

PGSs are underpinned by a number of basic elements which embrace a participatory approach, a shared vision, transparency and trust.

#### 3.1 Participation

Participation is an essential and dynamic part of PGSs. Key stakeholders (producers, consumers, retailers and traders and others such as NGOs) are engaged in the initial design, and then the operation of the PGS. In the operation of a PGS, stakeholders (including producers) are involved in decision making and essential decisions about the operation of the PGS itself.

In addition to being involved in the mechanics of the PGS, stakeholders, particularly the producers are engaged in a structured ongoing learning process, which helps them improve what they do. This process is usually facilitated by the PGS (by a committee or a designated manager) or in some situations a supportive NGO. The learning process is usually ‘hands-on’ and might involve field days or workshops.

Important points about the learning events :

- These ‘learning’ events are integral and essential to the way the PGS operates, and
- Those who participate are acknowledged through an attendance register.

*In situations where producers may be unable to read and write, mechanisms will be set in place to engage these producers in ways that are appropriate to their culture and their situation. This might involve culturally specific ways of expressing group solidarity, it might be pictorial or some other hands on activity. In any case, the mechanisms should fit with the situation.*

The idea of participation embodies the principle of a **collective responsibility** for ensuring the organic integrity of the PGS. This collective responsibility is reflected through :

- Shared ownership of the PGS
- Stakeholder engagement in the development process
- Understanding of how the system works
- Direct communication between producers and consumers and other stakeholders

Together these help shape the integrity based approach and a formula for trust. An important tool for promoting this trust is having operational processes that are transparent (for all to see).

This includes such things as transparency in decision making, easy access to the data base and where possible farms open to visits from consumers.

*Who participates and how?*

Different people and groups have different skills, technical knowledge and access to resources so they may play different roles in the development and management of PGSs. What is important is that the producers are directly engaged in the operating model of decision making (who gets certified) and are significant stakeholders. They may be directly engaged or be represented through persons they elect. How this works will depend on local circumstances. Ideally consumers are also actively engaged in the PGS but the level of activity may depend on such things as distances to markets, how the products are marketed (directly or via other agents) and the extent to which consumer groups are organised and able to participate. Consumers are members in many PGS groups, not only buying products but also engaged in decision making and management. Overall though, what is important is that as far as is practicable, bridges between producers and consumers are created and fostered.

Key questions for the group responsible for facilitating the development of a PGS will be :

*‘Who are the key stakeholders?’*

*‘Have we done all we can to ensure that all the key stakeholders are able to participate in the PGS development process?’*

Ron Khosla of Certified Naturally Grown (CNG, USA) has written ‘One big strength is that we didn’t give up on trying to include as many people as possible in the discussion about how the program would run. Even when the first efforts to get feedback were rejected (alternatives to established ways of doing things are often not initially appreciated) you can’t stop trying to include other people even when they initially reject you or your idea. In the not so long run, it’s as much that lots of people were included and can now support the effort which is just as important as the program/idea itself’.

*If consumers are not directly engaged in our PGS can we call ourselves a PGS?*

Consumers and producers have complementary interests. One party produces organic products and the other party buys and consumes them. Thus, the idea behind engaging consumers has many benefits and is a feature of many established PGSs. These benefits include

- The integration of producers and consumers gives strength to the credibility of the PGS and broadens the market opportunities for the certified products.
- Consumers can share the work load of managing a PGS, provide valuable expertise in

management and may also take a supporting role in the peer review (internal inspection) process.

- Through involvement in the PGS, consumers acknowledge the value of organic food and happily pay fair prices for the produce.

In the ECOVIDA (Brazil) PGS consumers can be members of the Ethics Committee that monitors the activities of the PGS including the inspection process. In Organic Farm New Zealand consumers can be members, committee members and also be engaged as part of the internal inspection process.

Due to various circumstances it may not be possible to have consumers directly involved in the PGS, what is important is that the principle of including key stakeholders is understood and applied as far as possible.

Producers may be reluctant about high consumer involvement in the PGS as they feel that consumer interests might work to keep prices low. There are ways to manage this phenomenon ;

- Having all the stakeholders engaged in the development of the PGS and committed to its principles from its inception
- Ensure that the roles of all stakeholders, including consumers are clearly defined and cover voting rights and responsibilities etc

### **3.2 A Shared Vision**

A shared vision is where the key stakeholders (producers, NGOs, churches, traders, consumers and even governments) collectively support the core principles guiding what the PGS is trying to achieve. These principles are used to guide both production standards and the rules of how the PGS will operate. The vision can embrace organic production goals as well as goals relating to standards, social justice, fair trade, respect for ecosystems, the autonomy of local communities, cultural differences etc.

‘Everyone has the right to know what they are eating ..... we do very little alone, but together, in-cooperation, we can build something stronger and broader’ ECOVIDA.

*‘We accept the “spirit of organics” to imply a deep understanding, empathy and acceptance of the beauty and wholeness of our planet and the potential of the human race to till the soil ...’ Bryanston Organic Market, PGS, South Africa.*

How the stakeholders collectively share their vision will vary depending on local circumstances and the ways in which stakeholder groups are engaged. For example :

- Stakeholders of a PGS could embrace the vision initially through their participation and support in the design process and then by joining (becoming members). This may

include committing in an appropriately binding way, for example, signing an application/ registration document that includes the ‘vision’.

- Each stakeholder organisation could adopt the shared vision as part of their own organisation’s ‘vision’.
- By producing organic products and by consuming the organic products.
- The vision can be articulated to consumers via labelling and publicity directly at points of sale.

It is through a participatory development process that this vision is articulated and agreed upon.

### **3.3 Transparency**

Transparency is created by having all stakeholders, including producers and consumers, aware of exactly how the guarantee system works to include the standards, the organic guarantee process (norms) and how decisions are made. **This does not mean that every detail is known by everyone but rather they have at least a basic understanding of how the system functions, or have a way to find out.**

Transparency is enhanced by having :

- Clearly defined and documented systems
- Public access to documentation and information about the PGS such as lists of certified producers and details about their farms and non-compliance actions. These may be available through websites, public notices and stakeholder meetings or as in India where they are developing a database that can be accessed via SMS. There are a number of examples of the different documents that might be used as templates available via the IFOAM web site.

At the grass roots level transparency is developed through the active participation of the producers in the organic guarantee process which can include

- Information sharing at meetings and workshops
- Participation in internal inspections (peer reviews)
- Involvement in decision making.

### **3.4 Trust**

The integrity base upon which PGS are built is rooted in the idea that producers can be trusted and that the organic guarantee system can be an expression and verification of this trust. The foundation of this trust is built from the idea that the key stakeholders collectively develop their shared vision and then collectively continue to shape and reinforce their vision through the PGS.

The ways this trust is reflected will depend entirely on factors that are culturally specific to the PGS group.

The idea of '**trust**' assumes that the individual producer has a commitment to protecting nature and consumers' health through organic production.

Mechanisms for expressing **trustworthiness** can include :

- A hand shake or a self declaration (a producer pledge) via a private or witnessed signing of a pledge document
- Where producers are organised as groups both the individual and collective conscience can be expressed through group acclamation of the pledge (written and or verbal), in the Indian Organic Labelling Scheme (OLS) the pledge process is videotaped and a record held in an archive.

Whatever process is followed it should be decided upon by and with the key stakeholders and can be revisited like any other formal record of an event and written arrangement.

### **3.5 Horizontality**

PGSs are intended to be non-hierarchical. This is reflected in the overall democratic structure and through the collective responsibility of the PGS :

- Sharing and rotating responsibility ;
- Engaging producers directly in the peer review of each other's farms ; and by
- Transparency in decision making processes.

## **4 HOW PGSS OPERATE/FUNCTION**

### **4.1 Getting started - Motivating factors**

In most situations PGSs are born when a group of people come together who can see the benefit of having an organic guarantee. The guarantee provides recognition in local markets, is not constrained by the compliance requirements and costs of third party certification which is usually geared to anonymous markets and often long supply chains. Other motivating factors include a desire to :

- Reduce bureaucracy in the organic guarantee process
- Promote equity and fairness through the production chain
- Engender community values and support the potential for community development through organic agriculture

The group structure can provide a framework through which group marketing and various community building activities can be facilitated.

Most individual producers join a PGS because they want to sell their organic products locally (usually a farmers market or a retail outlet) and they need a label. A PGS can provide an affordable way of getting such a label. The benefits of belonging to a group may also be important particularly once the PGS has been in operation for a period of time and the full benefits can be appreciated.

Thus, NGOs might be inspired by the opportunity to support the development of a PGS through which community development objectives can be achieved, whereas, most farmers will see the opportunity to access markets and secure better returns as the initial motivating factor.

- For Ecovida (Brazil) there was strong socio-economic impetus for the development of their PGS, rooted in the idea of social justice for the rural poor by providing access to markets and providing an alternative to large scale commercial agriculture and factory farming. The PGS development process was supported by NGOs, the Provincial Government, the Church, food cooperatives and producer groups and it was formalised in 2001. The Ecovida network standards are drawn from Normative Instruction n.007 developed by the Agricultural Ministry of Brazil and the Ecovida network. The Ecovida Network promotes the idea that an ecological product is one that goes beyond technical standards to embrace agro-ecological principles along with social inclusion, environment protection and healthy food production.

- For OFNZ the impetus was largely economic, in that, farmers wanted an organic label for the local market but could not afford, EU/JAS/NOPS high cost third party certification. An NGO (Soil and Health Association) facilitated the development process with funding support from the New Zealand Government. The development process involved a series of stakeholder workshops throughout the country which led to the development of working model for a PGS. OFNZ was then tested in 5 pilot sites and launched in 2002 ([www.ofnz.co](http://www.ofnz.co)). OFNZ adopted the standards of BIO-GRO NZ (IFOAM accredited certifier) for the production rules and they developed their own set of norms (compliance criteria).
- For CNG (USA) the need for a PGS arose as a practical response to the USDA's move to control the use of the word organic. Many small scale producers were being excluded from using the term organic and needed to develop a system for market recognition. The NGO ([www.naturallygrown.org](http://www.naturallygrown.org)) launched their PGS in 2002 after a lengthy period of consultation with key stakeholders. CNG adopted the USDA NOP standards.
- In India the drive came from NGOs involved in the wider issues of community development and Organic Agriculture. They recognised the potential of PGSs to provide an organic guarantee label to millions of poor farmers. They created the PGS Organic India Council ([www.pgsorganic.in](http://www.pgsorganic.in)). The council adopted the National Standards for Organic Produce (NSOP) and developed the PGS model that was trialled through 4 organizations in many locations across the country and then officially launched in 2007.
- In France Nature & Progres (N&P) set up a type of PGS in the 1980's before official recognition of organic agriculture in France and Europe. It was established as a local and community based organic guarantee system. The system was excluded from the organic regulation with the European Certification Norm EN NF 45011. Since then Nature & Progres has had only consumer recognition from the historical influence, stricter private standards (than the CEE n°2091/92), a global code of ethics and the PGS. N&P producers have no access to organic conversion or maintenance subsidies, neither to organic market retailers and processors, nor can they use the term "Agriculture Biologique" ("Organic Agriculture" in French). For these reasons, half of N&P farmers get third party certified in addition to their PGS certification. In 2005 IFOAM initiated its pilot project on group certification in Europe, to test third party group certification (through Internal Control Systems) as an option for some European organic producers. N&P joined the project with their Tarn regional group, testing the implementation of an ICS on top of their existing PGS.

## 4.2 Adopt and or Adapt

Given that there are many successful PGS operating around the world that have well documented systems, the question for a new group thinking of starting a PGS is whether to design their own system from scratch or to adopt and adapt one of the existing systems?

Regardless of the approach there will be a lot of work to do.

When deciding on **standards** it is important to differentiate within a standard between **production rules** and **norms and compliance criteria**, some standards include both while others are simply production rules.

- Production rules describe those factors which relate to the inputs and general management of the organic production environment.
- Compliance criteria describe the requirements for application and membership, the organic guarantee process, the documentation requirements and the sanctions relating to non-compliance.

National standards are commonly just production rules whereas the EU Regulations for example contain both production and compliance criteria that prescribe arrangements for group certification as do the standards of third party certifiers. Many PGS have adopted national organic standards and designed their compliance criteria to suit their own situation. If national organic standards are not available then the IFOAM Basic Standard (IBS) could be adapted to shape a new standard.

Where national standards are a legal requirement (by regulation) they might also contain norms that restrict or control the use of the word organic or biologique. If this is the case the pathway forward for a PGS could be complicated. To meet this challenge the options could include :

- Lobbying or applying political pressure to facilitate wording changes to the laws which open the way for PGSs to operate
- Following the example of CNG (USA) where new wording is used for describing the PGS that does not include the word organic (e.g. “certified naturally grown”).

The most likely scenario for a new PGS is to adopt a mix and match of the different PGS components to best suit the situation. But whether you adopt or adapt, the development process must be supported by the collective participation of the key stakeholders and should be subjected to trial and evaluation by the key stakeholders before they are adapted to suit your

'unique' situation.

The trialling process will enable you to :

- Identify and strengthen gaps in your existing skill base and systems (administration, management and technical)
- Review paper work and modify as required
- Develop an understanding of the organic guarantee process and the roles and responsibilities of the key stakeholders in the process
- Consolidate the feeling of ownership of the PGS amongst the stakeholders through participation in the trial process

**Learn from others** – do not be afraid to seek advice from persons who are actively engaged with existing PGSSs. Sharing their PGS experience is seen a privilege by most PGS practitioners.

## 5 PGS AND ICS

PGSs and ICSs can be complementary.

*How do PGSs differ from Third Party organic certification systems?*

- Philosophically the way PGSs differ from ICSs is reflected in the emphasis placed on participation and horizontality. Ecovida talks about PGS certification as part of a 'broad process that begins with the conscience of each producer.... this conscience grows into a conviction'. This conviction is actively reinforced through the stakeholder's engagement in a holistic process. While ICS may also try to shape a collective ethic the process is more mechanical. The system is set in place with the expectation that with time the producer's philosophical commitment will grow. It is usually driven from outside by NGO's and exporters. It is geared towards export markets for commodities such as coffee which the producers themselves might not even consume and for products they grow for their local markets such as vegetables or fruits that are not exported and do not carry an organic certificate. In comparison to ICSs, PGSs are focused around providing food for local markets where in many cases the producers and consumers are directly engaged in selling and buying (farmers markets, cooperatives) whereas, the ICS products are usually sold to faraway places which the producers are unlikely to ever visit, the products themselves (usually commodities) are processed and mixed with other products so that the links to the producers become invisible.
- Technically ICSs and PGSs share some similarities in that they both have collective certification tools, standards/norms, mechanisms for verifying compliance, documented management procedures and a farmer's pledge and seals. There are also differences between ICSs and PGSs. In PGSs there is not one set of rules which must be followed by all PGSs, the key stakeholders, as far as possible, are engaged in the design and operation of the PGS with the ownership and control of the process coming from inside the overall group not from the outside as is the case with third party certification.

Other differences include :

- A desire by PGSs to have minimal paper work. This is helped by the fact that PGSs do not usually attempt to track product flow once it leaves the farm gate
- Certification in PGSs is for the whole farm, not a single product

- Individual farmers own their PGS certificates (in an ICS the certificate is owned by the group or the processor/trader)
- PGS producers can market their products on their own behalf
- Consumers or buyers are often involved in PGSs, while they are not normally involved in ICSs

With an export focused ICS the baseline entry requirements in terms of paperwork and infrastructure are far more exacting, they do not so easily allow for a step by step evolution of the infrastructure and documentation. Thus PGSs are able to sprout out of local initiatives where resources might be limited but enthusiasm high, whereas an ICS, will require both technical support and funding to cover the costs of building the infrastructure and paying fees to a third party certifier.

## 6 KEY FEATURES

PGSs are characterised by the following features or working components.

### 6.1 Standards and Norms

Providing a baseline from which organic integrity can be measured requires a reference point. When this reference point is based around generally recognised organic production rules a credible baseline is established and provides a reference point. From this reference point a PGS can be recognised as being part of the wider family of PGSs. Commonly these rules are adopted from the IFOAM basic standards (ECOVIDA), CODEX, USDA Organic Standards (CNG), JAL, EU or national standards (NSOP India) or in some cases adapted from the standards of a recognised third party certifier (OFNZ).

The compliance criteria (norms) which describe and define how stakeholders comply with the standards should be agreed upon by the key stakeholders involved in the PGS. This process can take a little time to work through but it is important, as stakeholder participation in this process is integral to developing ownership and commitment to the PGS. For example the producers may be required to engage in a peer review process of each other's farms (sometimes referred to as an internal inspection), it is important to trial this process to identify and discuss social and cultural issues that might complicate this process and then redesign if required.

The standards can be lengthy documents which producers are unlikely to read in detail but it is vital that :

- They are aware of what the standards entail and
- They have access to the principals and key messages in these standards and
- They have access to a copy of the full standard.

For most PGSs, a summary standard is prepared and given to each producer in the language they commonly speak and can read, or is presented to them so that they can understand what it entails. This document usually accompanies the Farmer Pledge. If the farmers are unable to read or write other mechanisms should be used to convey and develop the understanding of the details in the standards. Commonly workshops and hands-on practical approaches are used where producers have the key points described to them and then they are encouraged to discuss these points. Key contact persons are also integral to the process ; producers should understand the importance of reporting non-compliances they might observe. They should have easy access to a technical support person. This person may live in the same community or

visit the community regularly. While telephones may work in some situations it seems that face to face communication is the most effective way to share information.

### Linking with ICS

Standards that are linked or drawn from recognised international standards have some advantages particularly for situations where a PGS certified producer may wish to supply an export market and therefore need a link to a third party certification either as an individual or part of an ICS. If the standards used are similar to a third party certifier's it can make the transition from PGS to third party easier. In some cases PGS and third party operators have been able to agree on and make arrangements that enable this transition to take place. These arrangements might include the sharing of paper work or in some cases spot audits of the PGS by the third party certifier. In situations where a PGS may later involve a third party certifier for exports, it may make sense to involve them in the initial design of the PGS. This can help build trust and cement a future working relationship. Whether this happens or not is entirely up to the PGS operator. It is important that the PGS operator remains in charge of this process as there is a danger that when third party certifiers get involved, that even with the best of intentions, they introduce ideas and 'requirements' that are part of the third party approach.

## **6.2 Grass Roots Organisation**

In PGSs, 'grass roots' involvement relates to those stakeholders most involved in producing and consuming the PGS's products. A PGS, as far as possible, will be built on local initiatives with and for the people it is designed to serve. This does not mean that in some situations a government body or external organisation cannot be involved or even initially take a lead but rather that the grass roots will be integral to the PGS development process and operation.

## **6.3 Suitable to Small-holder Agriculture**

*What is a smallholder?* There are various definitions of smallholders which can be applied to different socio-economic and cultural situations. Generally speaking a smallholder is one of the millions of producers worldwide who produce low volumes of product as compared to larger producers. While many ICS operators apply the EU criteria for defining smallholders for their third party certification there is no one definition for PGS purposes and it is a widely held view by PGS operators that there should not be any specific criteria applied.

Being suitable for smallholder agriculture means that a PGS will be designed to be culturally appropriate, affordable and appropriate in terms of the paper work and other systems and processes.

## **6.4 Principles and Values**

PGSs are characterised by clearly defined principles and values that are documented and may be expressed through the standards, operations manual, public meetings and via the farmer pledge. These principles and values can be shaped around fair-trade, social justice as well as being environmentally orientated and culturally appropriate.

## **6.5 Documented Management Systems and Procedures**

For an organic guarantee system to be transparent and to be able to deliver on a consistent and equitable basis. The PGS systems and procedures should be documented. The depth and complexity of this documentation will vary between PGSs and can evolve over time. As with any quality assurance system there is an expectation of ongoing improvement as lessons are learned and the organisation gains experience. It is better to begin with something basic that can be built on than to not start at all. See details of the PGS Organic India, OFNZ, Ecovida, CNG management systems and procedures via [www.IFOAM.org](http://www.IFOAM.org).

The core theme of this process is that there is a system in place and that it can be measured in an objective and consistent manner. The extent to which producers are expected to complete documentation and engage in record keeping can vary and might include a simple filing system (a folder) where receipts are filed through to a written log cross-referenced against receipts ; in some cases a group leader might manage the filing process on behalf of other group members.

Documents can include :

- Standards (full standard and summary standard, if required)
- Data base – list of members, status, products ; details of each farm - crops, history, field sizes etc either as a management plan or a record of each farm (could be a written document or a video recording as in India)
- PGS Operations Manual - application and organic guarantee process and arrangements (steps in obtaining the Seal and use of the Seal) ; sanctions for non-compliance ; roles and responsibilities of key actors ; peer review template (farm inspection) checklist.
- Technical notes for advisors.

## **6.6 Mechanisms to verify producer compliance**

Mechanisms to verify farmer's compliance to the established norms should actively stimulate participation and encourage the stakeholders to embrace cooperation and provide learning opportunities.

Mechanisms can include :

- A description of the farm and farming activities (management plan) - a declaration of farming activities (or management plan) which takes the form of a written description by the producer or technical support person on behalf of the producer, or an oral recording covering farming activities and how they plan to follow the standards and norms of the PGS. Working through this process is often seen as onerous by the producer but it is important as it encourages them to think about the specifics of the standards and through this process develop a basic understanding of them. Also by personally signing or stating that the statements they make are true they are making a commitment to the PGS and other stakeholders.
- A producer pledge - in addition to or as a standalone process the producers may engage in the signing of a pledge or promise. The pledge is referenced to specific standards and norms and it can be made as a self-declaration that is ideally witnessed and signed by another producer or via a group process. This is particularly useful when farmers cannot read or write. The group pledge endorses both the individuals and groups commitments to follow the norms and standards. Peer reviews (farm ‘inspections’) - the dynamic of this process is that it provides a mechanism through which compliance to the standards and norms can be verified by peers and also provides for an exchange of ideas whereby all parties learn about the standards and each other’s farming practices. The output from this process is a record of the peer review visit (dated and signed) that records details of what was seen and any non-compliance activities. ECOVIDA requires at least three persons in the PGS to take part in the review process, OFNZ requires all the group (pod) members to be present at each other’s review (this equates to between four to eight producers depending on the size of the group/pod. For its annual visits, the French National Federation Nature & Progrès relies on around 20 “professional” surveyors (farmers from N&P being more involved in the peer review and financially compensated for their additional work). The federation tries to send the surveyor that is the most competent in the production system inspected. Moreover, this surveyor is usually accompanied by a consumer to ensure transparency in the process.
- Knowledge building – regular meetings and workshops to discuss technical and marketing issues is a useful mechanism for building the knowledge base and general collective capacity of a group and experienced producers can share information and their experience with less experienced producers. Attendance records for meetings and workshops can be useful as they can show who participated and can be used to demonstrate commitment.
- Sharing responsibilities and reinforcing the idea of horizontality at all levels of a PGS - in many situations the producers are part of a group which has an elected leader. Ideally the leader’s role is rotated so that each member of the group learns the skills and responsibilities that go with this role.

## 6.7 Mechanisms for supporting farmers

There are several ways through which a PGS can provide support for farmers.

Facilitate markets - the PGS either on its own or with the support of an NGO might facilitate market access via activities such as organising the venue for farmers markets ; promoting the label to consumers and other buyers or by providing market information such as pricing etc. For examples of how PGSs and markets are facilitated see the Ecovida Network in Brazil and the Bryanston Organic Market PGS South Africa.

Information and technical support - producers can also be supported through input from technical advisors, newsletters, farm visits, websites. The ability of producers to take advantage of these will depend on their levels of literacy and access to the media as a whole. For producers who have low levels of literacy it seems that regular interactions with technical advisors are important.

## 6.8 Seals or labels

A seal (official stamp) is used by a PGS to provide an official endorsement of key documents such as producer's certificates. Certificates are usually renewed each year and thus the length of time the seal is valid for is usually noted on the same document. The use of the seal is controlled and managed by nominated persons (such as the PGS management committee).

Labels have a different purpose. They are attached to products by the producer and are intended to provide the consumer with evidence that their product is covered by an organic guarantee. The label usually carries the PGS logo and the producer's number or code to enable consumers to trace the origin of a product if they so choose. Seals are of particular relevance when producers and consumers are isolated by distance. When the producer does not have direct contact with the customers the seal becomes the 'face' of the producer.



## **6.9 Clear and previously defined consequences**

There will always be circumstances where producers are unable or fail to comply with the standards and norms of their PGS. In most cases it seems these non-compliances are minor in that they are mostly centred on the perennial challenge of record keeping, however, in some cases the non-compliance might be more serious, such as the deliberate use of a prohibited input or the mislabelling of product. It is logical then that the consequences for non-compliance will be graded to fit with the seriousness of the non-compliance.

Whatever the consequences might be, they are :

- Agreed upon by the producers in advance, agreement in this way establishes a level a commitment and understanding of what the consequences of non-compliance are ;
- Documented and presented to the producers as part of the agreement they make to follow the standards and norms. Often they are included with the farmer pledge.

There is no value in having consequences for non-compliance that are not 'owned' by the stakeholders and cannot be applied or respected by stakeholders.

It is vital that the consequences are practical, for example, where a fine might be imposed on a producer, the level of the fine should fit the socio-economic situation and the capacity of the producer to pay the fine.

Where consequences for non-compliance are applied :

- The consequences for non-compliance will be handed out consistently and without favor.
- The process of applying them will be transparent.
- The outcomes publicly available through an appropriate pathway such as a website or public notice.

## 7 **ROLE OF PEER REVIEW IN THE PGS PROCESS**

A significant aspect of PGSs is the way the producers can be engaged in peer reviews of each other's farms. For the first year or so the producers will have limited skills in peer reviews and there is the potential for the process to be very uncomfortable for all parties unless there is a well **described process** which is understood by all the participants and includes :

- Clearly worded documentation and instructions
- Training for the participants before the event
- Technical backup to include the presence and participation of advisors through the first peer reviews and then on a regular basis to give the producers confidence.

The PGS case study examples described in the '*Participatory Guarantee Systems Case Studies*' (IFOAM, 2005) each contain detailed peer appraisal/review and farm management plan templates that could be adopted and adapted as guidelines for a new PGS. While the term peer review is commonly used by PGSs, the process may also be called a farm inspection, internal inspection or as in the case of Ecovida the Ethical Council's visit. The language used is less important than the process itself which exemplifies the participatory nature of PGSs by engaging producers and other key stakeholders in the 'inspection' and decision making processes.

Care must be taken to keep the process easy to follow and understand.

- The checklist should limit or avoid requiring subjective responses to questions.
- The checklist can be systematised by numbering and referencing the key questions against specific points in the standards and norms and/or a farm management plan. This arrangement helps the participants to systematically follow the questions and to keep their focus directed to how the standards are being applied. Should any non-compliance be identified it can then be referenced to the specific point in the standards and norms.

A carefully scripted checklist will help to build the participants understanding of the standards and standardise the review and reporting process. It will also help remove some of the subjectivity (individuals own interpretations of the standards and what is organic) that can confuse the peer review process and can also help modify the controlling influences of persons who may be present at the inspection and try to control the process.

To assess the current status of a property requires reference points that can be used to measure change over time. Commonly this document is called a farm management plan. This plan

describes the current layout and activities on the farm as well as scoping future developments. The plan may be completed by the producer or a technical support person who acts as a scribe on behalf of the producer.

The management plan has a number of functions, it provides a :

- Description of the farm (history and management practices)
- Reference point for measuring change on the farm over time and is usually checked during the on-farm peer review process.
- Written or in some cases verbal commitment from the producer against which they can be held accountable.

Where there is no management plan the peer review checklist (report) can serve to accumulate information about the farm over time.

## **8 FEES**

One of the key aims of a PGS is to keep fees as low as practicable. There are always going to be costs attached to running the PGS but whether fees are paid by producers or not is entirely up to the PGS itself. Government grants, donations from members, support from NGOs and volunteer input are all options.

Whatever the source of funds, the PGS's operating costs should be identified from the beginning, as the sustainability and success of the PGS may depend on having sufficient funds to sustain its infrastructure, operations and growth. Where producers are to pay for the operating costs of their PGS then they should be engaged in this discussion from the beginning.

## 9 SUMMARY OF THE BASIC DETAILS OF 4 PGSS

	<b>Ecovida</b>	<b>OFNZ</b>	<b>PGS Organic India</b>	<b>CNG</b>
<b>Country</b>	<i>Brazil</i>	<i>New Zealand</i>	<i>India</i>	<i>USA</i>
<b>Year launched</b>	<i>2001</i>	<i>2002</i>	<i>2007</i>	<i>2002</i>
<b>Norms/standards</b>	<i>Normative Instruction n. 007</i>	<i>Adapted from BIO-GRO NZ (an IFOAM accredited certifier)</i>	<i>National Standards for Organic Produce</i>	<i>USDA (NOPS)</i>
<b>Seal/label</b>	<i>Ecovida seal and Ecovida Network trademark</i>	<i>OFNZ seal</i>	<i>PGS Organic logo</i>	<i>Certified Naturally Grown seal</i>
<b>Markets</b>	<i>National and neighbouring countries</i>	<i>National</i>	<i>National</i>	<i>National</i>
<b>Website</b>	<i>www.centroecologico.org.br</i>	<i>www.ofnz.org</i> <i>www.organicnz.pl.net</i>	<i>www.pgsorganicindia.in</i>	<i>www.naturallygrown.org</i>
<b>Government recognition of PGS</b>	<i>Provincial level</i>	<i>Acknowledged but no official recognition</i>	<i>Acknowledged but no official recognition</i>	<i>Acknowledged but no official recognition</i>
<b>Key documents</b>	<i>Ecovida Training Manual includes : Producer Register (management plan) Production Guidelines Rules for Ecological Production Obtaining the Seal Use of the Seal and Trademark Ethical Council Role</i>	<i>Application and Registration forms (includes management plan) OFNZ Production Standards OFNZ Operations Manual Peer Review Checklist Guideline for Certification Managers</i>	<i>Basic Organic Standards Farmers Pledge How to make a local group Peer Appraisal Form Guideline for local group records</i>	<i>Growers Application Growers Affidavit Growing Practices and Standards for Vegetable Growers ; Livestock Farmers ; Honey Producers Inspection Guide Inspector's Summary Report</i>
<b>Method of Registration</b>	<i>By written application</i>	<i>By written application</i>	<i>By written application</i>	<i>Interactive website, direct online registration</i>
<b>Organisational structure</b>	<i>Regional bodies linked together through the Ecovida Network</i>	<i>Overview by National Council with day to day responsibility in Regions</i>	<i>Oversight by PGS Organic India Council with day to day responsibility within Regional Councils</i>	<i>Responsibility rests with CNG HQ, part time administrator. Trend to devolve responsibility regionally.</i>

Note that the India model described in Table 1 above is not the same PGS (Keystone Foundation) that was described in the IFOAM Case Studies. Keystone Foundation described in the case study has since then joined the Indian PGS Group and is in the process of adopting the PGS Organic India Council process, based on the model that is described above.

## **10 LESSONS LEARNED (REFLECTIONS)**

The following comments have been taken from feedback received from some of the established PGSs in response to the question 'since your PGS began what are the key changes or lessons learned?'

- Right from the beginning engage as many stakeholders as possible, this process might be slow and feedback may be negative but work through this, as often many of the early opponents become advocates over time.
- Plan for the organisation to grow and become self sustaining. At first the organisation will be developed on a volunteer basis but after a while the volunteers will burn out. You need to be able to pay key people to carry the organisation forward.
- Often the people who begin new things (such as a PGS) are not the people to manage them once they are established, be aware of this and bring new people into the organisation who have these skills.
- Producers are busy people and often reluctant to complete paper work. Reduce paperwork to a minimum and apply patience and encouragement if such things are part of your PGS.
- As the PGS grows and new regions become part of the organisation they will bring new ideas and different approaches to the table. It is vital that this diversity of ideas and approaches is embraced and recognised and included.
- In the beginning there are likely to be doubts about how the PGS will be received in the market. However, for OFNZ this has not been the case, once consumers saw their products and were introduced to the seal, they quickly began to select the OFNZ products and OFNZ is now recognised as an organic guarantee throughout the country.
- It is important to have a sufficient number of members to help share the responsibilities and spread the costs.

## **REFERENCES**

Authors notes from a field visit to Bode La Chem Chem (a new PGS) 2007 Tanzania

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Report - International Workshop on Alternative Certification. Rio Grande do Sul. Brazil, 2004

Report - India National Workshop for PGS. Goa, India. June 2006

Report - East African PGS Workshop. Arusha, Tanzania. April 2007

These publications and other related publications can be found on the IFOAM website, either in the PGS section or in the IFOAM bookstore section.



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