

# PGS GUIDELINES

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How to Develop and  
Manage Participatory  
Guarantee Systems  
for Organic Agriculture



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# PGS Guidelines: How to Develop and Manage Participatory Guarantee Systems for Organic Agriculture

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# Table of Contents

TABLE OF CONTENTS	1
ACKNOWLEDGEMENTS	2
DEFINITIONS	3
ABBREVIATIONS	4
<b>1. INTRODUCTION</b>	<b>5</b>
<b>2. BACKGROUND</b>	<b>7</b>
2.1 Getting Started: Motivating Factors	7
2.2 Where to Start?	10
2.3 PGS and Internal Control Systems (ICS)	11
<b>3. PGS KEY ELEMENTS</b>	<b>15</b>
3.1 A Shared Vision	15
3.2 Participation	16
3.3 Transparency	18
3.4 Trust	19
3.5 Horizontality	20
3.6 Learning Process	20
<b>4. PGS KEY FEATURES</b>	<b>22</b>
4.1 Grassroots Organization	22
4.2 Suitable for Smallholder Agriculture	22
4.3 Principles and Values that Enhance Livelihoods	23
4.4 Mechanisms to Support Farmers	23
4.5 Norms Conceived by All Stakeholders	24
4.6 Documented Management Systems and Procedures	25
4.7 Mechanisms to Verify Producer Compliance	26
4.8 Farmer's Pledge	27
4.9 Seals and Labels	28
4.10 Clear and Pre-Defined Consequences for Non-Compliance	28
<b>5. STEPS FOR IMPLEMENTING A PGS</b>	<b>30</b>
5.1 Step One: Situational Analysis	31
5.2 Step Two: Stakeholders Share the Vision	31
5.3 Step Three: Agree and Document How the PGS Will Work	32
5.4 Step Four: Build Awareness for Standards and Make a Pledge	33
5.4 Step Five: Map the Farm and Record Farm Details	34
5.6 Step Six: Conduct a Peer Review	35
5.7 Step Seven: Issue Certification Approval	37
<b>6. STRUCTURE AND ORGANIZATION</b>	<b>38</b>
6.1 Organizational Arrangements	38
6.2 The Role of Governments	39
<b>7. FINAL REMARKS AND RECOMMENDATIONS</b>	<b>40</b>
7.1 Lessons Learned	40
7.2 Marketing and Supply Chain Management	41
<b>8. REFERENCES</b>	<b>42</b>

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Organic producers and 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 how the organic guarantee process is applied.

# Definitions

## **Certification**

The procedure by which a producer or a group of producers receives written and reliably endorsed assurance that a clearly identified process has been methodically applied in order to assess that the producer is producing specified products according to specific requirements or standards.

## **Compliance**

Compliance means conforming to a rule, such as a specification, policy, standard, or law.

## **Consumers**

Consumers joining a PGS can be individuals or could be represented by a consumers' association.

## **Internal Control System**

Part of a documented quality assurance system that allows the external certification body to delegate the annual inspection of individual group members to an identified unit within the certified operation.

## **Local and Domestic Markets**

These markets 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).

## **Quality Assurance System**

System that provides demonstrable evidence that specified requirements relating to a product and/or production process are fulfilled and controlled in a consistent way.

## **Participatory Guarantee Systems**

Participatory Guarantee Systems (PGS) are locally focused quality assurance systems. They certify producers based on active participation of stakeholders and are built on a foundation of trust, social networks, and knowledge exchange

## **Peer Review**

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

## **Producer/Farmer**

In this document, the term producer is used 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.

## **Smallholder**

For this document, the term 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 (e.g. plantations).

# Abbreviations

<b>CNG</b>	Certified Naturally Grown
<b>CSA</b>	Community Supported Agriculture
<b>FAQ</b>	Frequently Asked Questions
<b>GMS</b>	Greater Mekong Subregion
<b>ICS</b>	Internal Control System
<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 Systems
<b>SDGs</b>	Sustainable Development Goals
<b>TF</b>	Task Force
<b>USDA</b>	United States Department of Agriculture



Testing a peer review visit with consumers and local food initiatives, Greece @Agroecopolis

# 1. Introduction

The terminology and conceptual framework for describing Participatory Guarantee Systems (PGS) was first developed from the *International Alternative Certification Workshop* held in Brazil in 2004 and sponsored by IFOAM - Organics International and the MAELA. During this event, the dynamics of different alternative organic certification systems were shared and their common features documented, allowing for a common definition to be identified. The officially adopted definition states: "Participatory Guarantee Systems (PGS) are locally focused quality assurance systems. They certify producers based on active participation of stakeholders and are built on a foundation of trust, social networks and knowledge exchange." (IFOAM - Organics International, 2008)

Since 2004, PGS have gained recognition throughout the world, in the organic sector, and in the agroecology movement, as credible, relevant and cost-effective mechanisms through which producers can guarantee that their products have been produced according to the four principles of organic agriculture<sup>4</sup>. IFOAM - Organics International recognizes the full diversity of organic agriculture, including terms of verification or quality assurance systems. PGS are alternative and complementary to ISO-type independent third-party certification: just like third-party certification systems, PGS consist in quality assurance systems that aim to provide a credible guarantee for consumers seeking organic produce.

PGS differ from third-party certification in their approach. Direct participation of farmers, consumers and other stakeholders in the verification process is not only encouraged in PGS, but may be required. Such involvement is realistic and achievable given that PGS are likely to

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<sup>4</sup> Health, Ecology, Fairness and Care. <https://www.ifoam.bio/en/organic-landmarks/principles-organic-agriculture>



PGS visit of a farm in AMAP, organised by the AMAP Network Auvergne Rhône-Alpes, 2014 @MIRAMAP

serve small farms and local, direct markets. Participation costs are low and primarily require voluntary time involvement rather than financial expenses. Moreover, paperwork is reduced, making PGS more accessible to small operators.

There are indications that PGS have the potential to significantly contribute to reducing food insecurity and improving food sovereignty and nutrition, especially among farmers and consumers in rural areas<sup>5</sup>, thus supporting organic farming as a strategy for achieving multiple SDGs. Accordingly, PGS have been described as a pro-poor development tool. Active participation on the part of stakeholders, as foreseen by PGS, results in greater empowerment and responsibility. PGS place a high priority on knowledge and capacity building – not only for producers, but also for consumers. Because they are based on direct personal relationships and sustainable development values, PGS can help consumers and producers to establish and favor direct or short-distance market relationships.

IFOAM – Organics International and MAELA have supported this process and helped to ensure that organic producers may access organic guarantee options that best suit their needs. Alongside individual and third-party certification, PGS are now regarded as a viable option to guarantee the quality of organic products.

This document should be read in conjunction with the publications of IFOAM – Organics International: *Participatory Guarantee System. Case Studies from Brazil, India, New Zealand, USA, France and the PGS Self Evaluation Form (SEF)*.

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<sup>5</sup> IFOAM, 2014. Global Comparative Study: Interactions between Social Processes and Participatory Guarantee Systems (PGS)



## 2. Background

Because there are various approaches to applying key elements and features of PGS, it is not possible, nor is it the intention of these guidelines, to prescribe a single approach in how PGS can develop and function.

This document aims to describe key elements and features<sup>6</sup> of PGS initiatives, provide ideas on different implementation steps, and explain how this form of guarantee system has been developed and applied in different settings around the world, drawing from established and well-documented as well as recently developed PGS initiatives.

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### 2.1 Getting Started: Motivating Factors

Usually PGS initiatives emerge when there is a need from a social movement or from a group of stakeholders to come together, because they see benefits of or need to have an organic guarantee. A guarantee through PGS can provide recognition in local markets but it is not constrained by compliance requirements and costs of third-party certification, which are often geared to anonymous markets and long supply chains. Other motivating factors for PGS may include a desire to:

- Reduce bureaucracy in the organic guarantee process.
- Promote equity and fairness throughout the production chain.

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<sup>6</sup> PGS key elements and features were formalized by the first international PGS Task Force in 2007 and are published in the document [Participatory Guarantee Systems: Shared Vision, Shared Values](#).

- Promote consumer access to organic products.
- Support the transformation of current food systems by building alternative food networks, especially at local level.
- Contribute to enhancing food sovereignty by creating ownerships of production standards and certification among PGS members.
- Pursue a continuous improvement of practices enhanced by knowledge exchange.
- Foster community values and support the potential for community development through organic agriculture and participatory governance.

The PGS initiative structure provides a framework through which collective 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 at a farmers' market or a retail outlet) and they need an organic label. A PGS can provide an affordable way to obtain such a label. The benefits of belonging to a local group or joining a PGS initiative may also be motivating factors, particularly once the PGS has been operational for a period of time and is recognized by other stakeholders, such as consumers or governmental agencies.

Thus, NGOs might initially be inspired by an 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 a means to join a PGS.

Another approach to start a PGS begins with a market already in place. Established organic farmers, together with the support of a farmer's market, retail outlet, company, or other, develop a guarantee system to cater to increased demands for integrity and quality. Below are some examples of motivations that led to the set-up of now well established PGS initiatives.

- Ecovida (Brazil): there was strong socio-economic impetus for the development of their PGS. It was rooted in the idea of promoting social justice for the rural poor by providing them with access to markets and 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 producers' associations or cooperatives. It was started in 1998 and formalized in 2001 through the creation of the Ecovida Participatory Certification Association. Ecovida's initiative had an important role in the definition of the Organic Regulation adopted by the Brazilian government and the official recognition of PGS as being at the same level of third-party certification. Ecovida promotes the idea that an ecological product goes beyond technical standards and embraces agro-ecological principles along with social inclusion, environmental protection, and healthy food production.
- OFNZ (New Zealand): the impetus was largely economic. Farmers wanted an organic label for the local market but could not afford the high cost of 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 held across the country, which led to the development of working PGS model. OFNZ was then tested in five pilot sites and launched in 2002. ([www.ofnz.co](http://www.ofnz.co)). OFNZ adopted the standards of BIO- GRO NZ (certifier accredited by IFOAM – Organics International) for production, but they developed their own set of compliance criteria.

- CNG (USA): the need for PGS arose as a response to the US Department of Agriculture’s move to regulate use of the word organic. Many committed organic producers felt like the new national program was not a good fit for their direct-market operations and sought an alternative system for market recognition. After a lengthy period of consultation with key stakeholders, Certified Naturally Grown (CNGfarming.org) was launched as a regional PGS in 2002. It adopted the USDA National Organic Program standards. CNG quickly grew to include farms throughout the United States of America.
- Vietnam: the PGS concept was introduced in 2008 by the international NGO Agriculture Development Denmark Asia (ADDA) as part of a pro-poor development project. They introduced PGS to assist smallholder vegetable farmers near Hanoi to compete more effectively in the Hanoi market. The PGS is now known as the Vietnam PGS: It is recognized by IFOAM – Organics International and their production standards (Vietnam PGS Organic Standards) are included in the IFOAM Family of Standards.
- India: the drive came from NGOs involved in the wider issues of community development and organic agriculture. They recognized the potential of PGS 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. This model was tested by four organizations in many locations across the country and officially launched in 2007. There are now various NGO-led PGS initiatives in India, as well as one governmental program for PGS that has been included in the regulation for organic agriculture adopted in the country in 2018.
- Nature & Progrès (France): set up a type of PGS in the 1980’s as a local and community based organic guarantee system. This was before official recognition of organic agriculture in France and Europe as well as regulation of the term “organic”. PGS was not included in the organic regulation European Certification Norm EN NF 45011, thus excluded from the claim to “organic”. Since then consumer recognition of Nature & Progrès has built upon its historical influence, strict private standards (than the CEE n°2091/92), a global code of ethics, and PGS. Nature & Progrès producers, unless they also obtain a third-party certification, have no access to organic conversion or maintenance subsidies nor to organic market retailers and processors. They also cannot use the term “Agriculture Biologique” (“organic agriculture” in French). For these reasons, many Nature & Progrès farmers get third-party certified in addition to their PGS certification.



PGS group meeting: Ms Bouchan and ms Oudomsouk, Xien Khuang PGS, the Lao People's Democratic Republic @FAO

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## 2.2 Where to Start?

Once the benefits of PGS are clear for all interested stakeholders, the group can start to decide how they want to design and implement their system. There is no single recipe for success. Given that there are many successful, well documented PGS initiatives operating around the world, the question for a new initiative is whether to design one's own system from scratch or to adopt and adapt an existing system.

Regardless of the approach, **setting up a PGS is a complex endeavor** that requires a significant amount of time, work, and commitment, especially from producers. It is recommended that the new initiative gather information and contact established local or international PGS initiatives to exchange ideas and information on how to get started and the main challenges. PGS are not a "silver bullet", they are not always the most cost-effective process to link producers with local markets. Any project seeking to build a PGS should consider assessing the project's "*fit for purpose*" as an essential preliminary step. See Chapter 5 to obtain insights on the various PGS implementation steps.

The first step is to consolidate the group's or stakeholders' shared vision behind setting up the PGS. This encompasses values and the "mission" as criteria that define organic production. These criteria are usually listed and formalized in documents called **organic standards**. **Organic standards** are sets of requirements detailing which practices can be considered organic.

National standards commonly consist only of production rules. Whereas, for example, the EU regulations contain both production and compliance criteria that prescribe arrangements for quality assurance systems (third-party certification and provisions for accepting group certification). Standards developed by certification bodies or third-party certifiers also normally contain both production rules and compliance criteria.

Many PGS have adopted national organic standards and have designed their own compliance criteria to suit their own situations. If national organic standards are not available, the IFOAM Standard could be adopted as such or adapted to local conditions.

When national standards are a legal requirement (by regulation) they might also contain norms that restrict or control the use of the word organic or similar terms (i.e. biological, ecological, etc.). If this is the case, the pathway for PGS could be complicated. To overcome this challenge, options could include:

- Lobbying and advocacy efforts for changes to laws that are creating obstacles for PGS.
- Using different, non-regulated terms, as in the example of CNG (USA), where the PGS initiative made claims without referring to the word organic (e.g. “Certified Naturally Grown”).
- Adopting an organic standard that belongs to the Family of Standards, and note on your communication materials that you use a standard recognized by IFOAM – Organics International in its Family of Standards. This is a truthful statement hard to legally prosecute<sup>7</sup>.

Whenever you adopt or adapt certain tools or ideas, the development process must be supported by the collective participation of key stakeholders. It should also be subject to testing and evaluation by these key stakeholders before they are adapted to suit your unique situation.

A testing phase will enable a PGS initiative to:

- Identify and strengthen gaps in your existing skills and systems (administration, management, and technical);
- Review and modify paperwork, as required;
- Develop an understanding of the organic guarantee process as well as the roles and responsibilities of key stakeholders;
- Consolidate the feeling of ownership for key stakeholders through participation in the testing phase.

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## 2.3 PGS and Internal Control Systems (ICS)

The two main types of organic certification particularly relevant to smallholder organic farmers are participatory certification, through PGS, and group certification, through Internal Control Systems (ICS). They share the common goal of providing a credible guarantee to consumers that organic production standards are being met. PGS and ICS share similarities in that they both operate using collective certification tools, standards/norms, mechanisms for compliance verification, documented management procedures, the farmer’s pledge, and a logo. As a result, on the surface they can look quite similar and are often confused.

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<sup>7</sup> The IFOAM Family of Standards contains all standards officially endorsed as organic by the organic movement following assessment. To learn more please visit: <https://www.ifoam.bio/en/ifoam-family-standards> or contact us at [pgs@ifoam.bio](mailto:pgs@ifoam.bio).

In theory and in practice there are key differences between ICS and PGS, which are summarized in this section. Despite their differences, there is no formal barrier preventing an ICS from operating similarly to a PGS initiative or for a PGS initiative to operate similarly to an ICS. Indeed, in Latin America, some local groups in PGS initiatives have been recognized as operational ICS by external certifiers.

### **How do PGS differ from third-party ICS organic certification systems?**

- In terms of approach, or theory, the difference between PGS and ICS lies in the emphasis placed on participation and horizontality. Rede Ecovida refers to 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. Even though ICS may also try to shape a collective ethic, the process is more mechanical and usually driven from the outside by an NGO and/or exporter. The system is set in place with the expectation that over time the producer’s philosophical commitment will grow. ICS is mostly geared towards export markets for commodities such as coffee, which the producers themselves might not even consume. PGS, in contrast, are usually focused around providing food for local markets. They do not focus on one or a few commodity crops, but rather on a variety of different crops. In many cases the producers and consumers are directly engaged in selling and buying, for example at farmers markets or cooperatives. In ICS, products are usually sold abroad to places the producers are unlikely to ever visit. The products themselves (usually commodities) are processed and mixed with others so that the link to producers becomes invisible.
- Technically, or in terms of practice, the key difference between PGS and ICS lies in the relationship to third- party certification. An ICS has to operate within the overall context of third-party certification and in accordance with organic regulations of their target export markets. PGS, on the contrary, are self-governed systems that operate outside the framework of third-party certification and very often also outside the framework of organic regulations. In PGS there is not one set of rules that must be followed by all PGS initiatives. For each PGS initiative key stakeholders are engaged in the system’s design and operation. Ownership and control of the process comes from inside the initiative itself, not from an outside agency, as is the case with third-party certification.

### **Other differences include:**

- A desire by PGS to minimize paperwork. PGS do not usually attempt to track the flow of products once they leave the farm.
- PGS certification applies to the whole farm, not a single product.
- Individual farmers own their individual PGS certificates, whereas in ICS the certificate is owned by the group or the processor/trader.
- PGS producers can market their products on their own behalf, also autonomously.
- Consumers or buyers are often involved in PGS. They are not normally involved in ICS.

- Generally speaking, the ambition for transparency is greater in PGS. Indeed, an ICS is not designed to provide information to an external stakeholder, except to the certification body that certifies them. In PGS, open access to information is ideally the norm, particularly for consumers served by the PGS, but also for other stakeholders.

Given the export focus of ICS, baseline entry requirements for paperwork and infrastructure are far more demanding compared to PGS. ICS do not easily allow for a step-by-step evolution for infrastructure and documentation. While PGS are able to evolve from local initiatives, where resources might be limited but enthusiasm is high, ICS requires both technical support and funding to cover the costs of building infrastructure and paying fees to third-party certifiers.

Nevertheless, a PGS certified producer may wish to supply an export market. They would therefore need to link to a third-party certification. This link can happen either through third-party certification as an individual or through group certification and ICS. The transition from PGS to third-party certification as a farmers' group member might be easier than obtaining third-party certification as an individual. In some cases, PGS initiatives and third-party operators have been able to agree on arrangements that enable a transition. Such arrangements might include sharing paperwork or, in some cases, spot audits of the PGS by a third-party certifier. In situations where a newly developed PGS initiative is interested in obtaining third-party certification at a later stage, it may be useful to involve a certification body representative already in the initial PGS design. This can help build trust and lay a strong foundation for future working relationships. Whether this happens or not is entirely up to the PGS stakeholders. It is important that stakeholders are careful to remain in charge of processes and decision-making.



*Testing a peer review visit with producers and local food initiatives, Togo @IFOAM – Organics International*

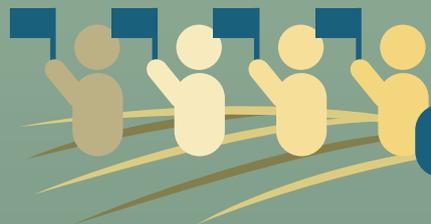
# Participatory Guarantee Systems

## KEY ELEMENTS

## FEATURES



PRINCIPLES & VALUES that enhance livelihoods



NORMS conceived by all the stakeholders



Clear, pre-defined CONSEQUENCES for non-compliance

DOCUMENTED management systems & procedures

Mechanisms To VERIFY compliance



Suitable to SMALLHOLDER AGRICULTURE



Mechanisms to SUPPORT Farmers



Seals or labels as evidence of ORGANIC STATUS

# 3. PGS Key Elements

PGS do not simply consist of certification systems. PGS strive for a collective commitment to a set of principles reflected through actions that demonstrate measurable compliance to the organic principles. Recognizing and involving different stakeholders in the design, implementation, and day-to-day operations of a PGS is integral to its overall effectiveness and credibility.

Farmers are encouraged to demonstrate their capacity to follow production standards and improve their practices by actively engaging in the management of assurance systems. At the same time, flexibility in how farmers demonstrate compliance is essential to ensure the consideration of relevant cultural and social aspects. For example, PGS can apply local social control and culturally appropriate mechanisms to demonstrate their commitment to PGS rules. Depending on literacy levels, oral pledges can replace signed, written ones, and forms as well as templates can be translated into local dialects or simplified in order to be more accessible.

These dynamic engagement opportunities and possibilities to demonstrate compliance allows each PGS initiative to develop in its own unique way. Nevertheless, all PGS initiatives contain key elements and features (see Chapter 4), which are consistent throughout the world. In this next section, PGS key elements will be presented and discussed.

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## 3.1 A Shared Vision

A shared vision is the starting point of a PGS. It is where key stakeholders (producers, consumers, NGOs, traders, religious institutions, governments, and others) collectively identify and agree to support the principles guiding the objectives and goals of the PGS. The shared vision can embrace organic production goals, objectives for standards, social justice, fair trade, respect for ecosystems, the autonomy of local communities, cultural differences, and more. These principles serve as a reference both for production standards to be adopted and rules on how the PGS will operate.

In a participatory process, shaping the vision is an essential step in PGS development. During this process, the stakeholders come together to discuss relevant issues such as: access to markets, prices, yields, and practices. They also come together to learn about the concept of PGS and discuss how PGS may be applied to their specific situation to address issues and needs they face.

How the stakeholders collectively share their vision will vary depending on the local circumstances and stakeholder engagement methods. For example:

- Initially, stakeholders of a PGS initiative can embrace a shared vision by participating in and supporting the PGS design process. Later they might become members of an

association responsible for the initiative. This may include a binding commitment, such as, for example, signing a registration document or pledge that refers to the 'vision'.

- As a representative of an organization, each stakeholder could adopt the shared vision as part of their own organization's 'vision'.
- Farmers can commit by agreeing to produce organic products, by making a public statement, or by signing a pledge. Consumers can commit by becoming a member of the association, like a CSA, or by regularly consuming these organic products through a consumer cooperative, box scheme, or similar.
- The vision can be shared to the general public via labeling and publicity directed at points of sale.

No matter how complex the themes behind a shared vision are, it is essential that this vision is accepted and understood by all members. Ideally all PGS stakeholders should be able to express their shared vision. Summarized below are some examples of shared visions for existing PGS initiatives:

*'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'. (Rede Ecovida de Agroecologia).*

*'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, South Africa).*

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## 3.2 Participation

Participation is reflected through active engagement of stakeholders who share a common vision. This includes producers and consumers, retailers and traders, as well as NGOs and others that are active in PGS operations. All stages of planning, from PGS development to day-to-day processes are facilitated by these stakeholders in various capacities.

The concept of participation embodies the principle of collective responsibility to ensure the organic integrity of the PGS. This collective responsibility is reflected through:

- Shared ownership of the PGS;
- Stakeholder engagement in all steps, starting with the development process;
- Shared understanding of how the system works;
- Direct communication between producers, consumers, and other stakeholders.
- Active engagement helps shape the integrity-based approach, developing a formula for trust.



Testing a peer review visit with consumers and local food initiatives, Czech Republic @PRO-BIO-LIGA

### Who participates and how?

Different stakeholders have different skills, technical knowledge, and access to resources. Therefore, they may play diverse roles in the development and management of a PGS initiative.

It is important that producers are directly engaged in the day-to-day operations of their PGS, particularly in the certification, verification, and monitoring of the other farms and farmers. In the case of small initiatives (a few producers or local groups), all producers should be directly involved in all activities. In the case of larger PGS initiatives, all producers should at least participate in peer reviews. However, elected persons may represent local groups of stakeholders at the final approval stage.

Consumers may also be actively engaged in a PGS. Their level of involvement depends on whether products are marketed directly or via agents, the distances to population centers, and the extent to which consumers are organized and able to participate. There are many PGS examples where consumers are active members, especially when farms are close to urban centers. Community Supported Agriculture initiatives can provide interesting insights on the ways producers and consumers can construct solidarity partnerships<sup>8</sup>. They not only buy PGS products but also substantially help with implementation of the system by engaging in decision-making processes, peer review, and management. Generally, it is important to create and foster bridges between producers and consumers that are appropriate to the respective situation.

When developing a PGS initiative, the key questions around participation are:

*“Who are the key stakeholders?”*

*“Are all key stakeholders able to participate in the PGS development process?”*

Alice Varon of Certified Naturally Grown (CNG, USA) wrote, “Ongoing participation is a big strength of any PGS. Farmers participate in CNG’s core operations as peer-reviewers, and

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<sup>8</sup> The EATingCRAFT project investigated synergies between PGS and CSA. Further documents are available here: [www.eatingcraft.ifoam.bio](http://www.eatingcraft.ifoam.bio)

help define how the organization evolves by giving input into any significant changes to standards or policies. As a result, they feel a strong sense of ownership, and are inclined to be protective of the program's integrity. Community stakeholders can also participate as observers of farm inspections. This option adds transparency, while building trust and community. PGS is more than just a label, it reflects a worldview."

### **Consumer Involvement**

Consumers and producers have complementary interests. The producer provides organic products, the consumer buys these products. Engaging consumers in PGS initiatives has many benefits, which can be seen in many established initiatives. These benefits include:

- Integrating producers and consumers provides strength to the credibility of the PGS and broadens market opportunities for certified products.
- Consumers share the workload of managing a PGS, providing valuable management expertise and support for the peer review (farm inspection) process.
- Through their involvement, consumers acknowledge the value of organic food and happily pay fair prices for organic produce.

In the Rede Ecovida (Brazil) PGS, consumers can be members of the Ethics Committee, which monitors PGS activities, including farm reviews. In Organic Farm New Zealand (OFNZ, New Zealand), consumers can be members, part of a committee, or engage in the farm review process.

Producers may be reluctant to have high consumer involvement in their PGS, because they feel consumer interests might work against their own. There are ways to manage this challenge:

- Have all stakeholders engaged in development of the PGS and committed to its principles of trading fairly<sup>9</sup> from inception;
- Ensure the roles of all stakeholders, including consumers, are clearly defined and cover voting rights and responsibilities.

Due to varying circumstances, it may not be possible to have consumers directly involved in a PGS. It is nevertheless important that the concept of including and involving key stakeholders is understood and applied as much as possible.

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## **3.3 Transparency**

Transparency is created by educating all stakeholders, including producers and consumers, on how the guarantee system works. This includes standards, norms (the organic guarantee

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<sup>9</sup> The idea of trading fairly is based on consumers agreeing to pay a fair price and farmers agreeing to supply and honoring this arrangement.

process), and decision-making processes. **This does not mean that every detail is known by everyone but rather that others have at least a basic understanding of how the system functions or have a way to obtain this information.**

Transparency is enhanced by:

- Clearly defined and documented operational processes and systems;
- Public access to PGS documentation and information, such as lists of certified producers, farm details and non-compliance actions, summaries of organic production standards, and a description of certification processes. These may be available online or via public notices and stakeholder meetings.

At the grassroots level, transparency is developed by active participation of producers in the organic guarantee process. This can include, among others:

- Regular information sharing at meetings and workshops;
- Participation in farm visits (peer reviews);
- Involvement in decision-making.

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## 3.4 Trust

The integrity-based approach which PGS relies upon 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. Trust is built by key stakeholders through the collective development of a shared vision. It is maintained through the continued effort to collectively shape and reinforce this vision. This idea of trust assumes that the individual producer has committed to the shared vision of protecting nature and ensuring consumer health through organic production.

The ways in which trust is reflected through PGS implementation may vary and will depend entirely on factors that are culturally specific to the context and stakeholders involved.

Mechanisms for expressing trustworthiness can include:

- A documented self-declaration, can either be a witnessed or private signing of a producer's pledge document, or video recording of the producer taking the pledge.
- Where producers are organized as groups both the individual and collective conscience can be expressed through group approval of the pledge (written and or verbal). There are examples of PGS initiatives that film the pledge process and a keep a record of this film in an archive.
- A contract between the producer and the PGS initiative, such as a membership agreement.

Whatever process is followed, it should be decided upon by and with key stakeholders. Like any other formal event record and written arrangement, it should be possible to revisit.

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## 3.5 Horizontality

PGS initiatives are intended to be non-hierarchical. This is reflected in the overall democratic structure and through the collective responsibility taken up by those involved, which includes:

- Sharing and rotating responsibilities (e.g. as secretary or coordinator, leading peer-reviews, etc.);
- Engaging producers directly in the peer review of one another's farms;
- Equal rights and transparency in decision-making processes.

This democratic structure is also present in PGS initiatives with a large number of geographically dispersed members, which delegate some responsibilities to people in key positions as representatives of specific stakeholders or regional groups. Horizontality is manifested when all stakeholders have the same right to vote or equal possibility to run as candidates for these positions.

The intrinsic feature of horizontality means that when PGS are used to build local food networks, great attention is paid to gender equality. In many PGS initiatives around the world, women farmers represent the majority. Female empowerment in PGS initiatives and the role of women farmers in agroecology is currently a central topic in multiple PGS worldwide. In Brazil for instance, the Rede Ecovida has organized workshops and meetings to improve participation of women and incorporate gender issues into PGS implementation.

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## 3.6 Learning Process

Through the exchange of ideas and experiences a learning process unfolds and becomes an ongoing dynamic of PGS. This includes technical aspects, for example, that build knowledge on organic standards and organic practices. A social learning process happens when different stakeholders get to know each other and gain awareness of each other's situations through participation in the PGS. The knowledge obtained is fundamental for the PGS initiative and contributes to the design of components. Moreover, it helps develop trust between stakeholders and in the PGS process itself.

The initial learning process involves becoming familiar with the PGS concept as well as key elements and features. It might be carried out by a facilitation organization (such as an NGO), an extension service provider, a research institution, a private company, or a government agency. It should be someone who has a good understanding of PGS and can provide guidance and facilitate the design, implementation, and evaluation phases of a nascent PGS. It is important that whoever takes up such fundamental a role considers the specific scenario and ensures that facilitation is also guided by PGS key elements.

The implementation process is always 'hands-on' and involves field days and learning events (e.g. workshops) on specific topics (e.g. how to conduct a peer review) led by a specialist. They could also be a member of the PGS initiative.

Central points:

- Learning events are opportunities to shape the way a PGS operates;
- Participants are captured in an attendance register;
- All producers should participate in as many learning events as possible;
- Other stakeholders should have the opportunity to participate in learning events;
- Learning is possible through specific events but also through formal and informal meetings, such as during peer reviews or group discussions and evaluations of the PGS initiative and its processes.
- Learned lessons are integrated into PGS practices. For example, the revision of standards or operational rules will ensure continuous improvement of the PGS initiative.
- Learn from others. Do not be afraid to seek advice from those actively engaged with existing PGS initiatives. Sharing PGS experiences is seen as a privilege by many PGS practitioners.

In situations where producers may be unable to read and write, it is necessary to set up alternative mechanisms to engage them in ways appropriate to their culture, capacity, and situation. This might involve culturally specific ways of expressing collective solidarity. It might be pictorial, a video, or a hands-on activity. In any case, the mechanism should fit the situation.

Additionally, PGS initiatives provide spaces for joint learning, dialogue, cooperation, and coproduction of knowledge. Impacts extend far beyond agricultural production, and may include conflict reduction within households and communities, individual and community empowerment, and significantly improved livelihoods.

For instance, the US model of Certified Naturally Grown (CNG) has taken extra steps to pair novice farmers with experienced farmers in their networks for their first inspections. Alternatively, CNG inspection forms have been updated to include and encourage discussion around more advanced production techniques. These might not otherwise have been considered, but could have greater ecological or financial benefits than a producer's current practices. Training videos are also being developed and will be made available online and on-demand, to address the challenges of and best practices for managing weeds, pests, and disease in line with CNG standards. These videos will be complemented by live video conferences where participants can ask questions of an experienced farmer.



*Peer review of the Bioclaendonia PGS initiative, Fiji @POETCom*



Peer review performed by the CSA initiative GASAP, Belgium @GASAP

## 4. PGS Key Features

Although PGS have developed independently in different countries and cultural contexts, they share a common set of structural features that underpin the guarantee process. These features include the use of organic standards and norms, individual pledges, and the implementation of documented management systems. PGS utilize several operational procedures like the development or adaption of seals and labels, mechanisms to verify producer compliance, and defined consequences for non-compliance.

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### 4.1 Grassroots Organization

In PGS the term 'grassroots' relates to those stakeholders that are most involved in producing and consuming PGS products. As far as possible, a PGS will be built on local initiatives with and for the people it is designed to serve. This does not mean that a government body or external organization cannot be involved or even initially take the lead, but rather that the grassroots movement will be integral to the PGS development process and its operations.

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### 4.2 Suitable for Smallholder 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 generate a variety of products in smaller quantities, as compared to larger producers. While many ICS operators apply the EU criteria for defining smallholders for third-party certification, there is no one single definition of the term for PGS purposes, and it is a widely held view by PGS initiatives that there should not be any specific criteria applied.

To be suitable for smallholder agriculture means that a PGS will be designed to be affordable for smallholder family farmers and culturally appropriate in terms of paperwork, procedures, and applied processes.

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### 4.3 Principles and Values that Enhance Livelihoods

PGS are characterized by clearly defined and documented principles and values. These may be expressed through a charter, standards/norms, operations manuals, public meetings, and via the farmer's pledge. The principles and values focus on enhancing livelihoods, and the well-being of farming families, fair relations with consumers, and the promotion of organic agriculture. They may cover fair-trade, social justice, environmental protection, culturally appropriateness. They may also envision a transformation of food systems and, more broadly, the whole society.

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### 4.4 Mechanisms to Support Farmers

There are several ways in which a PGS can provide support to producers:

- *Facilitation of Market Access:* On its own or through the support of a farmer's organization or NGO, a PGS initiative might facilitate market access via specific activities such as organizing the venue for farmers markets, promoting the label to consumers and other buyers, or providing market information (e.g. pricing).
- *Information and Technical Support:* Producers can also be supported through input from technical advisors, newsletters, websites, farm visits, and peer reviews. The ability of producers to take advantage of these different support measures will depend on their literacy levels and access to the media. For producers who have low levels of literacy, regular interaction with other peers and technical advisors is critically important.

The *Global Comparative Study on the Interaction Between Social Processes and PGS*<sup>10</sup> found that PGS is an important platform for the development of parallel social processes such as collective seed management, collective work, or small-scale savings systems. These processes have an important function in supporting farmers.

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<sup>10</sup> Available online at <https://www.ifoam.bio/en/global-comparative-pgs-study>.

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## 4.5 Norms Conceived by All Stakeholders

A reference point is needed to measure the organic integrity of a product. For organic agriculture, this reference point should be a generally recognized<sup>11</sup> set of organic production rules. In many cases, for third-party certification bodies as well as for PGS initiatives, these rules are inspired by the IFOAM Standard<sup>12</sup>. In other cases, the national organic standards are used as a reference (e.g. the USDA Organic Standards for CNG, the NSOP for PGS-India). There are also examples of PGS initiatives that adapted private standards of a recognized third-party certifier (OFNZ).

When deciding on standards it is important to differentiate between production rules, norms and compliance criteria. Some standards include both while others simply describe production rules.

- Production rules describe those factors that relate to inputs and general management of the organic production environment.
- Compliance criteria describe the operational aspects of a PGS, such as the requirements for application and membership, procedures to be followed in the organic verification process, documentation requirements, and sanctions for non-compliance.

Both production rules and compliance criteria should be agreed upon by key stakeholders involved in that specific PGS. This process can be time consuming but it is important because stakeholder participation is integral to developing ownership of and commitment to a PGS. For instance, producers might not be ready to engage in peer reviews of another's farm or to check compliance against the standards. It is important to test this assessment to identify and discuss any social and cultural issues that might complicate the process and require redesign.

Standards for organic agriculture production can be lengthy documents, unlikely to be read by all stakeholders in detail. Therefore, it is vital that:

- Producers are aware of what the standards entail and with what they agree to comply;
- Producers and consumers have access to a summary of key messages (of the standards);
- All have access to a copy of the full standard document;
- It is easy to access information on the steps in the verification process. These steps are also clear and easy to follow.

For most PGS initiatives, a written summary of the standard is given to each producer in a language they can speak and read. Or, this information is presented to them so they can understand what it entails. This document or information usually accompanies a pledge taken by producers (e.g. by signing it or publicly committing to it) as proof of their commitment to

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<sup>11</sup> Organic standards that are "generally recognized" are, for examples, those that are approved in the IFOAM Family of Standards (international recognition) as well as government-approved organic standards (national recognition).

<sup>12</sup> The IFOAM Basic Standard was abolished in 2012 and replaced by the IFOAM Standard, an internationally applicable certification standard.

comply with the standards. If a farmer is unable to read or write, other mechanisms should be used to convey an understanding of details contained in the standards. Workshops utilizing lectures and hands-on practical approaches are commonly used to describe key points to the producers and encourage discussions. Producers should understand the importance of reporting any non-compliance they might observe. Moreover, they should have access to a technical support person. This person may live in the same community or regularly visit the community. While remote interaction may work in some situations, face-to-face communication is often the most effective way to share information.

Alongside the organic standards, it is also important that the PGS discuss and conform to the national food safety regulations. However, strict quality and safety standards might be challenging for small-scale farmers to meet and might jeopardize their access to markets. Therefore, a role of the PGS could be to support producers in developing and managing adequate food safety systems.

It is essential that all stakeholders participate in the decision-making processes leading to the selection of the standards, the development of compliance criteria, and the overall rules of operation for a PGS initiative. These processes could take place via general gatherings where each member has a vote or through special task forces and work groups that, based on special expertise, address topics on behalf of other stakeholders and facilitate decision-making processes.

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## 4.6 Documented Management Systems and Procedures

For an organic guarantee system to be transparent and deliver on a consistent and equitable basis, systems and procedures need to be documented. The depth and complexity of this documentation will vary and can evolve over time. It is important to have a system in place that can be measured in an objective and consistent manner. As with any quality assurance system, there is an expectation of ongoing improvement as lessons are learned and the organization gains experience. It is better to begin with something basic that can be expanded than to not start at all.

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 a written log cross-referenced against receipts. In some cases, a local group leader or resource person might manage the filing process on behalf of other group members.

PGS documents can include:

- **Standards** – full standard and a summary, if required;
- **Database** – list of members, status, products; details on each farm - crops, history, field sizes;
- **Producer's Pledge or Declaration of Commitment** – combined with information on the producer's farm, either a management plan or a farm record. Can be a written document or a video recording;

- **PGS Operations Manual** - compliance criteria, organic guarantee process and arrangements (steps in obtaining a seal/logo and use of the seal/logo), sanctions for non-compliance, roles and responsibilities of key actors, peer review template (farm inspection) and checklist.

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## 4.7 Mechanisms to Verify Producer Compliance

As previously explained, specific to PGS is the way in which PGS members verify producer compliance and manage the certification of their products without delegating this step to a third-party certification body. Mechanisms to verify producer compliance with established norms should actively stimulate participation and encourage stakeholders to embrace cooperation and provide learning opportunities.

Mechanisms can include:

- **Description of the farm and farming activities (farm management plan):** This is a declaration (written document or oral recording) from the producer or a technical support person on behalf of the producer. It covers farming activities and how these activities plan to follow the standards and norms adopted by the PGS.

Working through this process and developing a farm management plan is often considered onerous by producers. But this step is important because it encourages producers to think about specifics of the standards and develop a better understanding of them. Also, by personally signing or declaring that the statements made by a producer is true, they are affirming their commitment to the PGS and other stakeholders.

- **Peer reviews (farm inspections):** The dynamic of this process is to provide a mechanism through which compliance to the standards and norms can be verified by peers. It also provides for knowledge exchange whereby all involved parties learn more about the standards and each other's farming practices. The output of this process is a peer review visit record (dated and signed) that contains details of what was seen. This includes any identified non-compliance and possible ways to address this issue.



*Peer review of a goat cheese maker done by the PGS initiative Nature et Progrès, France @Nature et Progrès*

Deciding upon the number and composition of a peer review team is very important. It is also critical to define the role each member of the peer review team will play during a farm visit. Different PGS initiatives appoint different types and different numbers of people to such teams. It is important that all stakeholder representatives have a chance to join these teams and that all participants are familiar with their roles and functions. Rede Ecovida (Brazil) requires at least three individuals in the PGS take part in the review process. OFNZ (New Zealand) requires all local group members to be present at one another's review. This equals four to eight producers, depending on the size of the local group. For its annual visits, Nature & Progrès (France) relies on a team composed of one producer and one consumer. These change for each producer visited. These individuals are members of the PGS and are appointed by the local certification commission, which plans the team rotations to avoid conflict of interests and reciprocal review between producers.

Some PGS initiatives include unexpected visits for a certain percentage of producers every year in their verification system. This is not a key feature of PGS, but it is a personal decision of each initiative determined by its specific socio-cultural contexts. See section 5.6.

- **Knowledge Building:** Regular meetings and workshops to discuss technical and marketing issues are useful for building the knowledge base and general collective capacity of stakeholders in a PGS initiative. Experienced producers can share information 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, producers are part of a local group that has an elected leader. Ideally, this leader's role rotates so that each member of the local group learns the skills and responsibilities that accompany this role.

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## 4.8 Farmer's Pledge

Producers joining a PGS agree to established norms or standards via a record or document. Depending on what is culturally and socially acceptable for a given context, this can be a signed declaration or video recording.

The pledge can be made as a self-declaration. Ideally it is signed, witnessed by another producer, or carried out publicly via a group process. The latter is particularly useful when farmers cannot read or write. A group pledge endorses both the individual and group commitment to the norms and standards. Nevertheless, a group pledge does not replace individual responsibility, just as the group certificate does not become invalid for the entire group if one producer is found to be non-compliant. It covers farming activities and how these activities plan to follow the standards and norms adopted by the PGS.

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## 4.9 Seals and Labels

A seal (i.e. official stamp) is used by a PGS initiative to provide a formal endorsement of key documents, such as producer certificates. Such certificates are usually renewed each year and the period of validity is often noted on the same document. The use of the seal is controlled and managed by nominated individuals or bodies, depending on the structure of the PGS initiative (e.g. the PGS management committee).

Labels have a different purpose. They are attached to a final product, and their intention is to provide the consumer with a guarantee that the product is organic. The label usually features the PGS logo and a producer number or code. In this way, consumers are able to trace the origins of a product. Labels are of particular relevance when producers and consumers are isolated by distance. When the producer does not have direct contact with a customer, the label featuring the PGS initiative's logo and a clear reference to the product's organic quality, becomes the 'face' of a producer.

### Examples of PGS Labels



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## 4.10 Clear and Pre-Defined Consequences for Non-Compliance

It is important to keep in mind that, alongside PGS objectives, there should also be a focus on continuous improvement of practices. The different approaches that a PGS initiative adopts to verify compliance are not only a tool for controlling producer adherence to defined criteria, but are also a tool for supporting producer's improvement. If the vision behind a PGS is broadly shared amongst members, and procedures are clear and well implemented, cases in which standards and rules are abused or disrespected might be lowered.

Yet, there will always be circumstances where producers are unable to or fail to comply with their PGS's standards and norms. In most cases such non-compliance is minor, and

mostly centered on the perennial challenge of record keeping. However, in some cases non-compliance might be more serious, such as the deliberate use of a prohibited input or product mislabeling. It is evident that the consequences for non-compliance will be graded to fit the seriousness of non-compliance.

Whatever the consequences for non-compliance might be, they should always be:

- Agreed upon in advance by PGS members, especially producers, as part of the agreement made to follow the standards and norms. This agreement could be reached, for example, upon signature of the producer's pledge. In this way, a commitment to and understanding of consequences for non-compliance are concurrently established.
- Documented and easily accessible to the general public. It should be possible for anyone, at any point, to learn about the consequences for non-compliance.
- Appealable, in case the producer perceives a decision of non-compliance to be unfair or unwarranted. In this instance, it is important to agree in advance how such disagreements should be addressed. This could be done by developing a conflict resolution mechanism or creating an arbitration body within the PGS initiative.

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

Where consequences for non-compliance are applied:

- They will be documented, applied consistently and without favor;
- The process of applying them (the consequences) will be transparent;
- The outcomes will be available to all members of a PGS initiative. Through an appropriate pathway, such as a website, they could also be made public.

### Non-Compliance: Sanction Examples

SITUATION	SANCTION EXAMPLE
<b>Missing attendance</b> at a required field day or training	<b>Reminder.</b>
<b>Minor violation of the standards</b> (i.e. farmer has no receipts for purchased inputs)	From <b>reminder to warning.</b>
<b>Repeated minor violations</b>	From <b>warning to suspension of certification</b> for a fixed period, until farmer(s) take corrective actions.
<b>Clear violation of the standards</b> (e.g. farmer uses prohibited inputs)	<b>Removed from PGS,</b> canceled
<b>Obvious fraud</b>	<b>Removed from PGS, withdraw certification, producer banned from PGS</b> membership either permanently or for a period of time.

# 5. Steps for Implementing a PGS



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## 5.1 Step One: Situational Analysis

Before building a PGS it is important to know the strengths and challenges of an existing situation. For example, a long history of chemical inputs use requires a different approach to wild harvesting. Such an analysis also helps to identify key stakeholders. With this knowledge, it is easier to know who to engage in the development process and what issues need to be addressed. See also Section 2.1. and 2.2.

These are some elements that should be considered at this stage:

- Needs, incentives, and capacities of PGS stakeholders;
- National legal and regulatory frameworks related to organic agriculture and PGS;
- Market demand and opportunities: level of consumer awareness and willingness to pay more for PGS-certified organic products;
- Major bottlenecks preventing smallholder farmer market access, such as issues of logistics and infrastructure;
- Level of understanding on the principles and practices of organic agriculture among stakeholders, particularly producers.

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## 5.2 Step Two: Stakeholders Share the Vision

The biggest challenge in starting a PGS is getting started. It is important that the benefits of a PGS are clear for all stakeholders for them to fully commit to the idea of being part of a PGS initiative. As discussed in Section 3.1, a shared vision is the starting point for a PGS. Each PGS should begin with stakeholders coming together to share their vision and develop ideas around how PGS could contribute to the overall well-being of their community. Gather key stakeholders together to share ideas and discuss the mutual benefits of working together (e.g. market access, product quality, better prices, consumer expectations, technical support needs, and more). Gradually build the PGS concept into the discussion and proceed from there.

Keep in mind that stakeholders working together is what makes a PGS initiative happen, because it builds mutual trust and trust in PGS itself. By engaging as many stakeholders as possible right from the beginning and clarifying their roles in implementation, it is possible to expand the pool of resources needed for a long-term sustainable PGS initiative and thereby ensure democratic decision-making procedures.

Sharing the vision also activates another key element of PGS – the learning process, which is reflected, for example, through stakeholders learning to trust one another, the development of new technical skills, and increased awareness of PGS amongst consumers.

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## 5.3 Step Three: Agree and Document How the PGS Will Work

In PGS implementation, each initiative will be built around a few core components. The operational details can vary depending on the situation, thereby enabling each initiative to reflect their unique characteristics, such as different cultural norms. Such diversity may help strengthen member ownership over the PGS and their commitment to the process. At this stage of development, it is important to ensure that all stakeholders (especially producers) have a good understanding of the different PGS components, and the process in which requirements will be implemented, as well as their ownership in this process.

### Core Components

- Internationally Recognized Standards: Organic Agriculture Production Standards and Summary Standard (usually a 1-page summary of the standards' main points). See also Section 4.1.
- Rules or norms that include a description of mechanisms to ensure compliance (e.g. a manual of procedures). See also Section 4.6.
- Documented management system that outlines the roles and responsibilities of key persons (and agencies). Includes a description on how certificates are approved and issued. See also Section 4.5.
- Documented list of non-compliance and sanctions for each level of non-compliance, agreed to by the producers. See also Section 4.10.
- Pledge developed by the producers (farmers) and signed or agreed to in a transparent way. See also Section 4.7.
- Certificate (usually an individual certificate but could also be a group certificate depending on the situation, as long as each producer that is member of that local group receives a copy and, in case a producer in the group incurs a non-compliance, only s/he, not the entire group, will be sanctioned).
- Seal or logo to be used on certified products (PGS initiative logo or national organic logo), available once certificates issued. See also Section 4.9.

In all instances, information must be documented in order for the process to be checked regularly and in a consistent way. This could include recording and summarizing the outputs of a peer review in a database.

When designing a PGS initiative, flexibility needs to be ensured. This allows for continuous learning and knowledge exchange, which are essential in guaranteeing the sustainability of an initiative.

#### 5.3.1 An Example of Flexibility in PGS design

PGS can cover a range of different land-use and ownership arrangements. But, in order to address these different situations, the methods used to measure compliance can vary to fit

the situation. For example, if plots share a common border and there is no internal risk for pesticide drift from neighboring plots, then no internal buffer zones may be required. Only a single map detailing the different plots may suffice. Whereas when plots are scattered, clear buffer zones and individual plot maps showing neighboring plot activities may be required.

### **5.3.2 Funding Operational Costs of PGS**

One aim of starting a PGS is to keep certification costs as low as practicable. There are always costs attached to running a PGS initiative, but the decision on whether producers pay fees, for example, to a supporting organization or to a collective fund running the initiative, in order to become members of and participate in the PGS, will depend on the specific situation. Government grants, member donations, NGO support, and volunteer input are all possible fund sources for running a PGS initiative.

Whatever the source of funds, expected PGS operating costs should be identified at the start. This is critical because the PGS's success and sustainability may depend on sufficient funds for sustaining infrastructure, operations, and growth. When producers are expected to pay the operating costs for their PGS, they should be engaged in such discussions from the beginning.

Nature & Progrès, for instance, includes a percentage of the producer's turnover (0.3%) in calculations for certification costs. These costs cover staff time at the national level and other operating expenses, such as transportation costs, communication, advocacy, and more. Producer members are expected to dedicate a minimum of 2.5 days per year to system management/functions: one day to prepare documents and host a peer review, one day to assess another producer, and half a day for the local certification committee meeting (COMAC), which makes the final decision on producer certification.

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## **5.4 Step Four: Build Awareness for Standards and Make a Pledge**

Before future members and new applicants officially commit to supporting the implementation of a PGS, it is crucial that they are fully aware of all necessary components and procedures. This type of awareness raising is usually done through training and meetings, which should include explanatory sessions on PGS standards, operations, and non-compliance.

Following the awareness building phase, producers should make a formal commitment to follow the organic standards and the procedures commonly adopted by a PGS. This is usually done through the farmer's pledge document or a contract that can be prepared in advance. However, contents of this document should be shaped by the farmers, to ensure that the basis of the pledge come from the heart.

It is then necessary to start a list of individuals who will become PGS members. This includes local groups and the identified group leader (e.g. key contact person). Note that other stakeholders (non-farmers) may want to become members of the local group. It is up to the group to decide if this will be allowed.

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## 5.5 Step Five: Map the Farm and Record Farm Details

Producer and farm details for each member that joins the PGS must be collected and kept in a simple but systematic way. Such details are commonly taken from the “farm management plan”, which compiles producer information as well as a farm map. This map shows different plots on the farm, describes farm layout and activities as well as future/planned developments. The plan may be completed by the producer or a technical support person who acts as a scribe on behalf of a producer before a peer review.

Before and during a peer review, the farm management plan should be made available to the individuals who will carry out the review. Every farmer (or, in case of local groups, each farmer in a group) must complete this document in line with the template developed by the PGS, and individual copies must be stored in a centralized place. Ideally this document is completed by a farmer under the guidance of coordinators or facilitators of the PGS initiative. The document should be checked as part of the peer review process to ensure that details in the document mirror what is and can be seen in the field.

There are various options for drawing maps. It is important that every producer in the PGS initiative has a map. For scattered plots, individual lot maps are required. For wild harvesting, or plots gathered together, a single map may be sufficient.

Maps and farm details are entered into the PGS Database maintained by the PGS initiative. They can also be made available online on a website to promote transparency, if decided.



*Women from Giyani PGS work their land, South Africa @IFOAM – Organics International*

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## 5.6 Step Six: Conduct a Peer Review

One of the main ways PGS ensures compliance with its members adopted organic standards is the peer review of another's farm. Peer review is a process whereby people in similar situations assess the production practices of their peers. In PGS, a peer review takes place when producers, often accompanied by consumers and other stakeholders, visit a farm of another producer in their local group or region, to conduct a farm review. Peer review stands at the very core of PGS.

All farms or production units should be reviewed at least once a year. A PGS facilitator, coordinator, or secretary is usually tasked with organizing a calendar for these reviews and makes sure they take place and are documented using a checklist and peer review report. These documents represent the core information upon which producers will be assessed.

Peer review is more than just a mechanism to verify if producers are in compliance with pre-defined standards. It is equally important that such verification also creates the opportunity for producers to review their practices together with their peers and jointly reflect on how to enhance the overall sustainability of their farms. Therefore, the purpose of the peer review can also be to provide long-running support to PGS producers in their path of continuous improvement for their practices. This stimulates a permanent evolution in approaches that adhere to the common vision of the PGS initiative.

When consumers are part of a PGS initiative, their involvement in the peer review brings them closer to the challenges that producers face in the current socio-economic system. Consumers also have a different view for a farm and might highlight aspects different than those highlighted by a peer producer.

It is important to stress that the farmer being visited should always be present and available to answer questions, provide information and, if necessary, point out challenges and support needs.

In the beginning, producers and other stakeholders will have limited skills to conduct peer reviews and there is a risk that all involved parties feel uncomfortable. To mitigate this risk, it is important to have a well-described process understood by all participants. This process should include:

- Clearly worded documentation and instructions;
- Pre-event training for participants (or a practice event);
- During the first peer reviews, invite technical backup and advisors to participate. For instance, this could be experienced producers. On a regular basis, depending on producer needs, help build producers' confidence.

While the term peer review is commonly used by PGS, the process may also be called "farm review", "farm inspection" or, as in the case of Ecovida, "the visit of Ethics Council". The language used is less important than the process, which should exemplify the participatory nature of PGS by engaging producers and other key stakeholders in the farm review and decision-making processes.

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

- Make a checklist available to guide the participants through the review. The checklist should limit or avoid requiring subjective responses to questions.
- The checklist can be systematized by numbering and referencing the key questions against specific points in the standards, procedures, and/or a farm management plan.

This arrangement helps participants to systematically follow questions and keep their focus on how the standards are being applied. Should any non-compliance be identified, it can reference a specific section in the standards or manual of procedures.

A carefully designed checklist will help to build a participant's understanding of the standards. It also contributes to the standardization of the review and reporting process and helps remove subjectivity that comes with interpretations of the standards. A checklist also modifies the dominating influences of individuals who may attend the inspection and try to control the process. Both can confuse the peer review process.

To assess the status of a farm, reference points are needed. They are commonly taken from the "farm management plan", which compiles details such a map, which shows different plots on a farm. This plan also describes the farm layout and activities as well as future/planned developments. The plan may be completed by the producer or a technical support person who acts as a scribe on behalf of a producer before a peer review. The farm management plan should be made available, before and during the review, to the people who will carry out the peer review.

The farm management plan provides:

- Description of the farm (history and management practices);
- Reference points for measuring change on the farm over time and for structuring the on-farm peer review process;
- Written or, in some cases, verbal commitment from the producer for which they can be held accountable (e.g. the farmer's pledge could be integrated in the farm management plan).

In cases where no farm management plan is available, the first peer review checklist (report) can serve as a tool to begin to keep records and information about the farm.

The outcome of a peer review is usually a report summarizing the producer's answers collected during the review. It often includes main observations of the review team, such as observed non-compliance, corrective actions taken by the producer against previously assessed non-compliance, remarks and appreciations on some practices, and a final - positive or negative - recommendation regarding certification/approval. The visit can also be visually summarised using spider charts containing key indicators or other score assessment tools.

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## 5.7 Step Seven: Issue Certification Approval

Outputs of the peer review should be checked to ensure they are in order and that the peer review process and documentation were completed as required. This can be done by the coordinator or facilitator of the PGS initiative with the support of a previously appointed group of PGS members.

Once more, how certification is established and managed differs greatly among PGS initiatives. These can range from a complex system involving different commissions or certification committees to a simple approach where the groups performing peer reviews make the final decision on certification approval of the producer.

Typically, a certification committee, which should be representative of different member categories, checks that peer review outputs are complete, assesses the severity of any potential non-compliance, and defines corrective actions to be applied in a certain time frame. Corrective actions should always have the aim to improve practices rather than impose punishments. The certification committee then validates the decision regarding certification approval of the producer, and the PGS initiative is then able to issue certificates.

In some cases, a follow-up will be required for various reasons: inexperience of involved farmers and other stakeholders or lack of clarity in documents. Thus, in many situations the first peer review can be seen as a training exercise. The process should be repeated to fine tune tools and skills.

Those in charge of coordination and day to day activities for a PGS initiative will document any problems that arise, follow-up on non-compliance, and update the database. They will also note any unresolved non-compliance.

It is critical that a PGS includes provisions for its member to appeal a decision perceived as unfair by the affected person, for instance, suspension of certification in cases of serious non-compliance.



*PGS certified farmers at the Saturday Good Market in Colombo, Sri Lanka @Good Market PGS*



# 6. Structure and Organization

There are various ways in which a PGS can be internally structured and how they relate to external agencies.

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## 6.1 Organizational Arrangements

The basic structure of a common PGS initiative consists of:

- **Peer Review Group**

This group consists of farmers and potentially other stakeholders, such as consumers, extension workers, or NGO staff. The peer review group carries out annual farm visits for each member farm. The group decides on the renewal of certificates for reviewed farms. Group arrangements, such as number of members, responsibility sharing, meeting frequency, and types of additional activities, can vary.

- **Certification Committee**

Its role is to review peer review reports and validate decisions taken by the peer review groups. The committee is involved approving individual PGS members and in enforcing potential sanctions for non-compliance.

- **Administrative Staff**

For its day-to-day management, a PGS should employ a coordinator or facilitator. This can be a volunteer member with sufficient technical abilities and time to carry out tasks, or can be a paid staff person. Their tasks include managing paperwork, keeping track of peer reviews schedules, following-up on unfinished documentation and non-compliance, updating the database, and reporting to the certification committee.

In larger PGS initiatives, additional structures may be necessary:

- **National Council**

In the case when PGS initiatives are consolidated into larger systems (e.g. national), councils or regional and national bodies can be set up. This body manages external relations and may take other roles, including validating the approval of PGS membership applications from farmers or groups of farmers, maintaining of central documentation and procedures, managing logos, and organizing trainings or capacity building.

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## 6.2 The Role of Governments

Support for PGS is suitable to all stages of organic sector development. Recognition of PGS can be accomplished in numerous ways, depending on a country's stage of development for the organic sector and regulatory frameworks. Regulatory options make sense in situations where regulations are needed and supported by the organic sector. The following strategy (non-regulatory and regulatory) options are recommended<sup>13</sup>:

1. Support PGS development;
2. Promote, rather than regulate, an emerging organic market;
3. Include PGS as one of the conformity assessment systems permitted under the regulation;
4. Include exemptions in the organic regulation.

Most importantly, the role of governments is to create an enabling environment for PGS to operate. Other important functions are to promote regulations and policies that recognize PGS as a guarantee process and to establish national organic standards that PGS initiatives can also use. In a regulated situation, authorities may also create a register of PGS initiatives, establish a national PGS database, provide a national PGS logo to be used by the registered PGS initiatives or maintain a registry of approved commercial organic inputs (this will also facilitate the work of operators and PGS initiatives in identifying allowed and forbidden commercial inputs).

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**13** Detailed information on the role of governments in promoting PGS can be found on the IFOAM Policy Brief on How Governments Can Recognize and Support Participatory Guarantee Systems (PGS), available online at: [https://www.ifoam.bio/sites/default/files/policybrief\\_how\\_governments\\_can\\_support\\_pgs.pdf](https://www.ifoam.bio/sites/default/files/policybrief_how_governments_can_support_pgs.pdf)



# 7. Final Remarks and Recommendations

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## 7.1 Lessons Learned

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

- Engage as many stakeholders as possible right from the very beginning. This process might be slow and feedback may be negative but work through this; often many early opponents became advocates over time.
- Plan for the organization to grow and become self-sustaining. At first the organization will be developed on a volunteer basis, but after a while volunteers will burn out. You will need to be able to pay key people to carry the organization 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, skilled people into the organization.
- Producers are busy people and are often reluctant to complete paperwork. If such things are a part of your PGS, minimize paperwork and apply patience and encouragement.

- As the PGS grows and new regions become a part of the organization, they will bring new ideas and different approaches to the table. It is vital that this diversity of ideas and approaches is embraced, recognized, and included.
- In the beginning there are likely to be doubts about how the market will receive PGS. However, for OFNZ this was not the case. Once consumers saw their products and were introduced to a logo, they quickly began to select OFNZ products. OFNZ is now recognized as an organic guarantee throughout the country.
- It is important to have a sufficient number of members to help share responsibilities and spread costs.

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## 7.2 Marketing and Supply Chain Management

The success of a PGS initiative is dependent on market linkages and the commitment of consumers and buyers. Consequently, a marketing plan to engage and actively link to marketing channels should be part of the PGS development strategy. The marketing of PGS products is usually supported by a PGS logo and may also be endorsed by a national organic logo, when a national organic guarantee system allows. As with all marketing efforts, product quality and engaged buyers are essential.

Reliable market access is a powerful incentive to motivate other farmers to transition to organic and to join a PGS initiative. There are various market channels open to PGS-certified products, including direct sales at the farm entry, home delivery, local markets, organic shops, supermarkets and wholesalers, public procurement, restaurants, hotels and catering. Create a marketing plan to engage and actively link smallholder farmers to markets as part of the PGS development strategy.



*Organic shop selling PGS certified products in Cambodia @FAO*

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