



PARTICIPATORY GUARANTEE SYSTEMS (PGS) FOR SUSTAINABLE LOCAL FOOD SYSTEMS

A tool for transition towards sustainable agriculture, empowering farmers and local communities, increasing smallholder access to markets and making organic food available and accessible.

WHAT IS PGS?

According to IFOAM – Organics International “PGS is a low-cost, locally-based system of quality assurance with a strong emphasis on social control and knowledge building”. This system is based on the active participation of farmers, consumers, rural advisors, local authorities: they come together in order to make decisions, visit farms, support each other and check that farmers are producing according to an Organic Standard.¹

WHAT IS AN ORGANIC PRODUCT?

A product produced in line with the principles of organic agriculture² - Health, Ecology, Fairness and Care.

WHERE IS PGS FOUND?

Thousands of organic producers are verified through PGS in over 70 countries globally. In the region of Asia and the Pacific, PGS initiatives are found in Cambodia, Lao PDR, Thailand, Philippines, India, Nepal, Bangladesh, Sri Lanka, Vanuatu, Fiji and many others. For information about PGS groups around the world visit the PGS Map <https://pgs.ifoam.bio/>

WHAT MAKES PGS A SUITABLE CERTIFICATION SYSTEM FOR SMALLHOLDER FARMERS?

PGS, just like third-party certification systems, aims to provide a credible guarantee for consumers seeking organic produce. The difference is in approach: direct participation of farmers, consumers and other stakeholders in the verification process is not only encouraged in PGS, but required. Such involvement is realistic and achievable given that PGS often serves smallholder farmers and local markets. Costs of participation are low and mostly take the form of voluntary time involvement rather than financial expenses. Moreover, paperwork is reduced, making it more accessible to small operators.

WHAT ARE THE BENEFITS OF PGS?

EMPOWERMENT, KNOWLEDGE SHARING AND RELATIONSHIP BUILDING

Active participation of stakeholders, as foreseen by PGS, results in greater empowerment and responsibility sharing. PGS places a high priority on knowledge and capacity building. Trainings and farmer interactions in

PGS help farmers to improve their practices and to exchange knowledge with each other. The capacity building does not only involve producers but extends to consumers as well, by empowering them to make informed purchasing decisions, whether buying directly from farmers, or in the retail chain. Because PGS is based on direct personal relationships, it helps consumers and producers to establish and favour direct or short-distance market relationships.

IMPROVEMENT OF LIVELIHOODS AND INNOVATIVE FOOD SYSTEMS

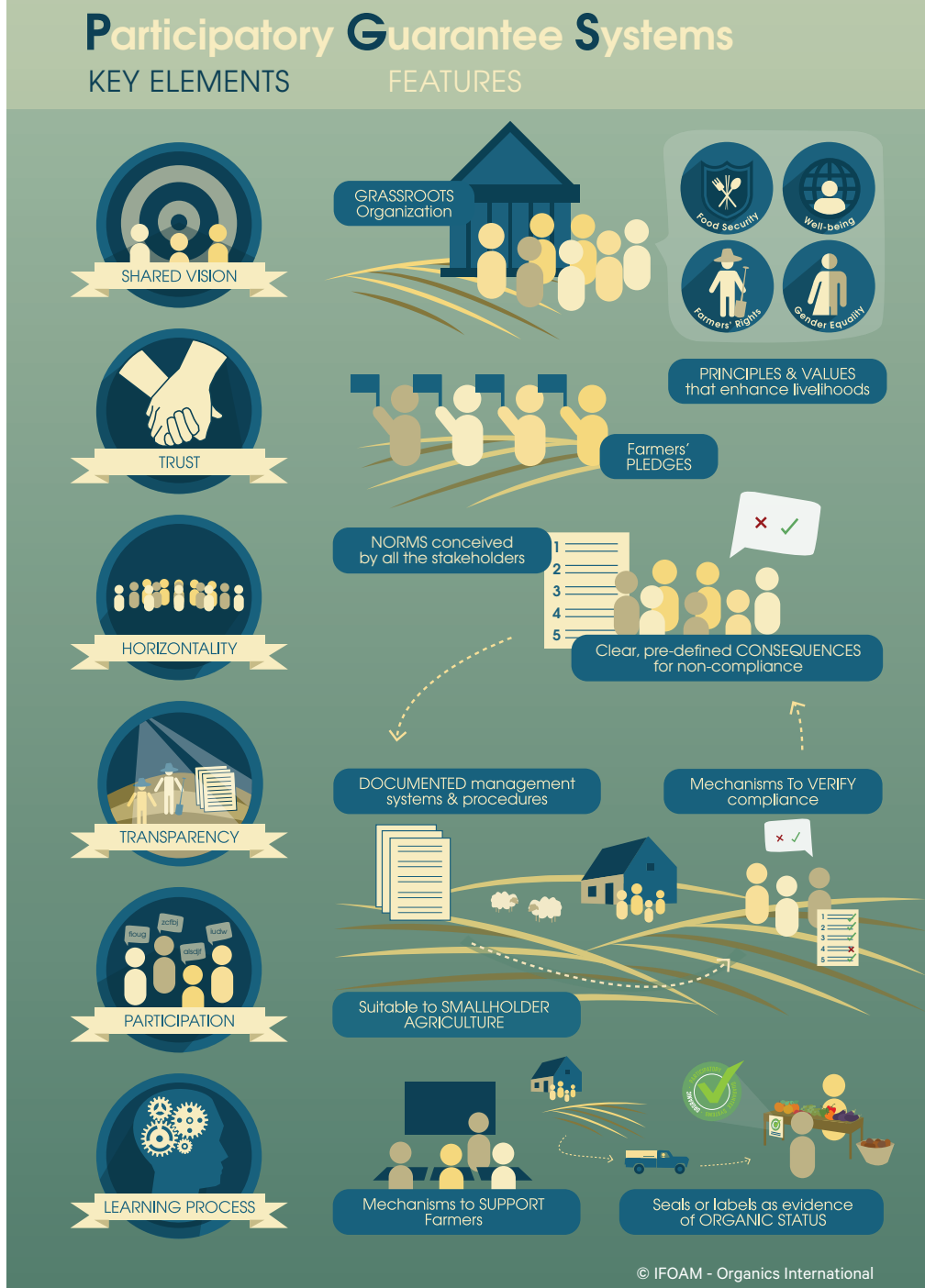
PGS has proven to be an effective tool to support smallholder farmers to access organic markets, since they get recognition for their organic production methods on a product level, leading to more stable, reliable and increased incomes. Consumers in both rural and urban communities also benefit from better access to



local, affordable, organic food. PGS also benefits those traders who want to attract a specific type of customer and therefore distinguish between different product categories to meet their needs for healthy organic foods. PGS is a good tool to incentivise innovation and support the development of sustainable food systems.³

FAO and IFOAM - Organics International promote PGS as an alternative guarantee system that is highly suitable for the development of sustainable local food systems leading to an improvement of the livelihoods of smallholder farmers in terms of income, health, nutrition and social recognition; as well as development of local organic markets for safe food and the empowerment of local communities.

- 1 The organic standards adopted may be specifically developed, based on local, national or international organic standards such as the IFOAM Standard.
- 2 According to IFOAM – Organics International: “Organic Agriculture is a production system that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic agriculture combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved.”
3. Smith, M. & Barrow, S. 2016. Namibian Organic Association’s Participatory Guarantee System. In Loconto, A., Poisot, A.S. & Santacoloma, P. (eds.). Innovative markets for sustainable agriculture – How innovations in market institutions encourage sustainable agriculture in developing countries. Joint publication FAO/INRA, pp. 39. Rome, Italy. (also available at <http://www.fao.org/3/a-i5907e.pdf>)



ABOUT FAO TECHNICAL COOPERATION PROGRAMME (TCP)

- **Title: Small-scale Farmer Inclusion in Organic Agriculture Value Chain Developments through PGS**
- FAO project in 2 countries: Cambodia and Lao PDR
- Objective: Address certification and marketing issues through the promotion of PGS
- Implemented 2015-2017 together with the Ministry of Agriculture Forestry and Fisheries (Cambodia) and the Ministry Agriculture and Forestry (Lao PDR)
- Key partners: IFOAM – Organics International, Asian Development Bank and Earth Net Foundation
- Facilitating organizations: Cambodian Center for Study and Development in Agriculture (CEDAC), Center for Organic Development, Cambodia (COD), Natural Agriculture Village, Cambodia (NAV), Caritas Cambodia, Groupe de Recherches et d’Echanges Technologiques, Lao PDR (GRET) Sustainable Agriculture and Environment Development Association, Lao PDR (SAEDA)



WHAT ARE PARTICIPATORY GUARANTEE SYSTEMS (PGS)?

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Finally we are able to eat what we want every day. Not only do we have money to buy meat or fish, we also have plenty of our own vegetables.”

Participatory Guarantee Systems (PGS) in Lao PDR

THE STORY OF MS BOUCHAN: WOMEN'S ECONOMIC EMPOWERMENT

Xieng Khouang is a mountainous province in the northeast of Lao PDR. While agricultural production is increasingly moving towards commercialized farming, the vast majority of rural community members are subsistence farmers.¹ While poverty rates are decreasing in the country, many rural households remain poor and malnourished with a high rate of children stunted.² Since 2009, the government and other organizations have been promoting organic farming as a means to improve the livelihoods of farmers, reduce the environmental impact of farming and provide nutritious safe food to farmers and local consumers. Governmental policies and strategies also provide a means to empower and strengthen women in rural areas given the key role that they play in agriculture, being responsible for over half of the agricultural activities.³

IMPROVEMENT OF INCOME AND LIVELIHOOD

Xieng Khouang is one of the leading provinces for organic agriculture in the country with more than 550 households involved. One of these farmers is Ms Bouchan Huengvilay. She lives in Yone village with her husband and grows a variety of vegetables including leafy, fruity and root vegetables and herbs on 1 300 m². Ms Bouchan thinks back, “In

the past our income was very low. We lived in poor conditions and did not have enough money to support the education of our 5 children. I got some income from weaving, but I made not more than LAK 5 million (USD 700) per year, from which I still had to buy raw materials. My husband used to have a salary as a local government official, but at the end of the month we never had enough to pay for all our basic needs.” Since the shift to organic farming, the couple's situation has changed. They earn enough money for expenditures, every day. The total income from the vegetables is about LAK 25 million (USD 3 000) per year, enough to support the family and to allow their children to finish the last years of school. Now they are grown up, earning their own money, so Ms Bouchan was able to save enough to build a new house. “Finally we are able to eat what we want every day” she said, “not only do we have money to buy meat or fish, we also have plenty of our own vegetables.”

Ms Bouchan started organic farming in 2009 when she heard about a training program organized by the Sustainable Agriculture and Environment Development Association (SAEDA). Although farming was new to her, she quickly learned to grow vegetables organically and she observes how her soil is getting better every year.



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PGS FOR BUILDING TRUST BETWEEN FARMERS AND CONSUMERS

In 2016, the Laotian government started encouraging organic farmers in Xieng Khouang to become part of a Participatory Guarantee System (PGS). In a PGS various stakeholders come together to guarantee the farming practices adopted by the farmers. Consumers, local authorities and PGS farmers of different groups form PGS committees to carry out peer reviews and ensure the organic quality of the produce.

For Ms Bouchan, PGS was a great way to gain consumer trust, “The PGS really helped us to communicate to consumers about organic and to build their trust in our practices. Before joining the PGS, selling my vegetables was very difficult. Firstly, consumers did not know me, what was I doing and I had no way to offer them a guarantee on how I grew crops. As a member of the PGS, we have become more accepted and people trust that we follow the Lao Organic Standard. Now I can sell my products very easily”, she said proudly.

FARMER EMPOWERMENT IS AMONG THE SOCIAL BENEFITS OF PGS

Ms Bouchan sees the benefits of PGS not only in terms of quality assurance: “For us, PGS is very useful to learn from other farmers and to improve our practices. I learned a lot about how to deal with pests and how to make organic pesticide using chilies, garlic and galangal.”

As a result of implementing a PGS, farmers, and especially women that may experience limited access to formal training programs, continuously

exchange their knowledge. Moreover, becoming a facilitator to carry out peer reviews of other farms improves self-confidence and pride in their work. Many PGS farmers around the world feel that knowledge sharing and the social organization are the most remarkable benefits of PGS.

Ms Bouchan sells her vegetables on Wednesdays and Saturdays at an organic market in Phonsavan, capital of Xieng Khouang. Only PGS-certified farmers are authorized to sell there and this was the main marketing channel for her when she first gained PGS certification. Now, other channels have become more important: she sells most of her products directly at the farm gate or by home delivery on her small motorbike. “Consumers like to come to my farm, point at the vegetables and ask me to harvest for them directly from the



As a member of the PGS, we have become more accepted and people trust that we follow the Lao Organic Standard.”

field. Other consumers got used to me delivering the vegetables directly to their doorstep.” Her leafy vegetables-herb mix is especially popular and she sells up to 4 kg per day to a small shop in town.

SUCCESS OF MS BOUCHAN INSPIRES OTHER FARMERS TO JOIN

In Xieng Khouang, 70 farmers are now PGS certified, most of them women. Many neighbors have come to Ms Bouchan, willing to learn her techniques and farming practices. Soon, some of them will join the PGS as new members.

Ms Bouchan looks positively into the future: “In fact, I hope that one of our future members will be my son. He lives next door with his wife and has taken part in a training program, similar to what I did in 2009. I hope someday he will be farming organically not only on his own land, but on mine too.”

1 FAO. *Food and Agriculture Organization of the United Nations* [online]. Lao PDR. [Cited 23 November 2017]. <http://www.fao.org/laos/fao-in-laos/laos-at-a-glance/en/>

2 UNDP. *United Nations Development Programme* [online] Human Development Reports. Lao PDR [Cited 27 November 2017]. <http://hdr.undp.org/en/countries/profiles/LAO>

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Our son’s task is to find solutions to pest problems on Youtube. He is the junior agricultural technician of the family.”

Participatory Guarantee Systems (PGS) in Lao PDR

THE STORY OF MS SINSANGA AND MR SENGSAVANG: SPREADING KNOWLEDGE ABOUT ORGANIC FARMING

Lao PRD is a mountainous country in Southeast Asia. Even though poverty rates are decreasing, poverty remains widespread and many households are unable to meet daily food requirements. Many households especially in rural communities depend on agriculture as their main income. Unsustainable farming practices and deforestation have led to increased environmental degradation and vulnerability of small-holder farmers to natural disasters and the impacts of climate change. Health concerns among the population related to pesticide use are increasing. The government of Lao PDR has recognized the potential of organic agriculture to address these challenges and has made it part of the strategy to eliminate poverty and to provide nutritious and healthy food to its citizens.

Ms Sinsanga Keo Vong Kot and Mr Sengsavang Luangphachaleun live on a farm in Phonsim village in Savannakhet Province in the south of Lao PDR with their 19-year-old son and 17-year-old daughter. They rent about one hectare of farmland from the government, on which they grow a variety of vegetables and rice, and also raise ducks and chickens. They produce food for their own consumption and sell the surplus at a local market as their main source of income.

In 2012, the government started promoting organic agriculture. Mr Sengsavang remembers: “I have been growing vegetables using chemicals since I was young. One day government representatives came here and explained about the bad effects of chemicals on the environment and on people’s health and encouraged us to join a project about organic agriculture.”

The government provided technical training on organic practices and also gave Mr Sengsavang the opportunity to travel to Thailand to learn new farming skills. Now that organic practices are well-established on the farm, they have much less problems with pests compared to the past. Mr Sengsavang explains: “We grow a large variety of crops and use crop rotations to prevent pests from becoming a problem. But even if pests appear, nowadays it is easy to find solutions online.”

ORGANIC GUARANTEE THROUGH PGS, WITH GOVERNMENT SUPPORT

In 2016 the government started to promote Participatory Guarantee Systems (PGS) to guarantee the

organic quality of the vegetables. According to Mr Thavisith Bounyasouk, Deputy Director Standard Division of the Department of Agriculture: “Our government is promoting PGS as an affordable method for organic farmers to build consumer trust in their products, to link them to markets and to facilitate their engagement in collective selling and buying.” In Lao PDR, the government also plays an important role in the implementation of this system, recognizing PGS, keeping some oversight through participation of local government representatives and allowing PGS farmers to use the national organic logo.

Support for marketing is also provided. Ms Sinsanga and Mr Sengsavang, together with the other five PGS members of Phonsim village, share a stall at the central market that the government provides them free of charge. Six times per week they sell their vegetables with the other members of their group.

IMPROVED SELLING CONDITIONS AND GAINING CONSUMER TRUST

Ms Singsanga, mainly responsible for selling, sees the switch to organic as a major improvement: “When we were growing conventionally we often had leftover vegetables that we had to throw away. Now with PGS-organic we are sold out within two hours at the market and return home. The price of the vegetables was decided in an open discussion between the farmers of our PGS group and the consumers. We want to have a fair price, fair for farmers, but also fair for consumers.” The PGS group decided to go for a simple pricing system. All our vegetables are tied together in small bundles. Each bundle costs Laos Kip (LAK) 2 000 (about USD 0.25), three bundles are sold for LAK 5 000 (about USD 0.60).

Consumers in the local market are interested to learn what PGS-organic. Ms Sinsanga explains the benefits to the farm and to health. Many local consumers have already visited their farm. Regular consumers of PGS-organic vegetables explained that the quality of PGS-vegetable is better



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In the past, we often had to throw away leftover vegetables. Now with PGS-organic we are sold out within two hours.”

than conventional, they can keep PGS-organic vegetables for more than 5 days in the fridge while conventional vegetables only last 2 or 3 days.

Transitioning to organic and having access to the market through PGS, has improved the lives of all PGS participating farmers in Phonsim village. Some members have built a new house and can afford for their children to attend school regularly. Ms Sinsanga and Mr Sengsavang

have bought a small truck to deliver vegetables to the market. Their daily expenses are much easier to cope with now and also their daily food and nutrition has improved. “Now we have plenty of vegetables to eat and we also have our own chicken and ducks.”

BECOMING A TEACHER FOR THE NEXT GENERATION

Recently Mr Sengsavang started in a new role: he is becoming a farmer teacher in a new government project that aims at educating young people to become the next generation of organic farmers. He is proud and optimistic about the future: “I am happy that I have the chance to share what I know with the next generation. I want them to continue what we started – farming in the organic way. I believe that the young farmers will continue to develop organic agriculture and bring it forward. In the future, I’m sure they will have more innovative and advanced organic techniques.”

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Participatory Guarantee Systems (PGS) in Cambodia

THE STORY OF MS SOPHAL AND MR AN: ORGANIC VEGETABLES FOR VILLAGE MARKETS

In Battambang Province located in the far northwest of Cambodia, smallholder farmers grow rice, maize, soybean and cassava. Only few farmers grow vegetables such as cucumber, bitter melon and long bean. The prices of conventionally produced vegetables fluctuate greatly in the market. During the rainy season prices are high, making it difficult for rural community members to afford them. In the dry season, prices drop, threatening the income of the smallholder farmers who produce vegetables for the market.

“A lot of vegetables sold in our village are either imported or sourced from other regions of Cambodia. But now this is changing and we are happy to be part of this change” said Ms Kim Sophal and Mr Chou Sam An, a couple of family farmers living in a remote village in Battambang province. In 2016, they joined a Participatory Guarantee System (PGS) initiative together with other farmers who were also interested in organic agriculture.

In PGS, stakeholders come together to guarantee and peer review the farming practices adopted by participating farmers. PGS was introduced to the village by Caritas Cambodia in 2016 after Mr Houn Kosal from Caritas attended the PGS Training of Trainers

(ToT) jointly organized by FAO and IFOAM – Organics International under the pilot project on “Small-Scale Farmer Inclusion in Organic Agriculture Development through Participatory Guarantee Systems (PGS)”. Caritas introduced PGS to smallholder farmers as a tool to help them to improve their livelihoods, by changing their farming practices to be more sustainable and by gaining access to markets that pay a fair and stable price.

PGS HELPS FARMERS TO ADOPT ORGANIC PRACTICES AND EXCHANGE KNOWLEDGE

Soon after PGS was introduced, Ms Sophal and Mr An converted their rice, mung bean and cassava production to organic and expanded their small home garden to 1 600 m² of organic vegetables. At first, they encountered some problems with pests. But by applying organic techniques things got better. By the fourth cycle of vegetables, there were no more insects destroying the crops. Mr An considers the farmer-to-farmer exchange in PGS as an important reason why they were able to learn and change their practices so fast: “Being part of the PGS has been of great benefit to us. In addition to linking us to the markets, the system helped us to learn a great deal about



how to farm better. Something we can really see in our soils. We have so many earthworms now!”

HIGHER INCOME, LOWER COSTS AND MORE WORK

The organic vegetables soon became the main income for the family. Now Ms Sophal and Mr An harvest enough for their own family consumption and sell the surplus at the local village market. Every second day Ms Sophal rides her small motorbike there, to sell her fresh vegetables to local consumers. Selling directly to consumers provides the family with a much better income than the usual practice of selling to market intermediaries. For instance, an organic cucumber at the market sells for about 3 times more than the average price offered by market intermediaries for a conventional cucumber. In addition, the cost of inputs for organic production is much lower because they produce most of the inputs needed themselves. For example, they make compost instead of buying chemical fertilizers. According to Mr An’s experience, organic farming requires more work to monitor the crops for pests, produce compost and organic fertilizer. On a conventional farm, however, there are periods of high work intensity where additional labor needs to be hired and paid.

Selling organic vegetables has transformed the lives of Ms Sophal and Mr An and allows them to earn a regular and reliable income: “In the past our food was limited and we often had to borrow money if we wanted a good meal. Now we have lots of vegetables from our own production and can pay in cash for meat and fish. Every day we can eat what we want.” Ms Sophal said proudly. They have also paid the money lender back and

bought two cows as a money reserve for times of crisis and to get manure for their compost.

PGS-ORGANIC PRODUCTS FOR LOCAL CONSUMERS

When Ms Sophal first started selling at the market, only a few people bought their organic, PGS certified products. But it did not take long until consumers started appreciating the quality and taste. “Our produce has become so popular that within half an hour of arriving at the market, we are sold out.” she said. A regular consumer explains: “I like to eat raw vegetables, but I avoided them because I often got stomach problems. When I buy from Ms Sophal I never have any health problems. Also the taste of her vegetables is much sweeter and they keep fresh much longer. I am happy to pay a bit extra for the food to be sure it is good for me and my family’s health.”

Such a success was surprising. Mr Kosal



Our produce has become so popular that within half an hour of arriving at the market, we are sold out!”



I am happy and honored to share my knowledge and to help others to improve their farms and livelihoods.”

shares his thoughts: “I did not think that the PGS products could be sold for a good price in the village market. A lot of people in the village are very poor. We had planned to help the farmers to sell their products in big cities instead, such as Phnom Penh and Battambang. While we were still setting-up the other markets, I encouraged the PGS groups to try and sell their products in the village. When I heard about their success, I was amazed and happily surprised.”

Less than 2 years after starting to promote organic agriculture and PGS, Caritas Cambodia is very happy with the results. The first PGS pilots were attempted with 10 farmers, but Caritas decided to expand and replicate the model in other provinces and to change the overall agriculture programs, towards promoting organic production through PGS. Recently Mr An has been chosen by Caritas to become an organic and PGS trainer and to teach other farmers in northern Cambodia.

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Participatory Guarantee Systems (PGS) in Cambodia

THE STORY OF MR AND MS KEO: BREAKING THE DEBT CYCLE

In Cambodia, about one third of the population lives below or only slightly above the poverty line and is vulnerable to food system shocks (price fluctuation, natural hazards, etc.). About 90% of the poor live in rural areas and poverty prevalence is high among households practicing agriculture as the only income generation activity. Many rural households are stuck in debt cycles: they borrow money to be able to send their children to school, to buy farming inputs or for food daily expenditures.

had no money for our children to go to school, no savings for our family's food, for health treatments, nothing. Market prices changed a lot but not for the better. We often sold our produce for a very low price otherwise it would go to waste, and then we would not have enough money to buy food and more of the chemical inputs that we needed”, explained Mr Keo.

SUSTAINABLE PRACTICES AND TECHNOLOGY ADOPTION

The fate of the family changed in 2014, when they were approached by Ms Bun Sieng, who had just started a small business to facilitate market access for small farmers producing organic vegetables. Mr Keo remembers “Ms Sieng helped us to get technical training on organic agriculture, for example how to make compost and to get funds to invest in a net house to protect the vegetables from insects. This way we could grow vegetables more easily without chemicals”. Mr and Ms Keo did not only stop using chemicals: they changed their practices to follow organic standards, designed rotations and mixed cropping with more than 20 kinds of vegetables. This way of growing differs greatly from the past when they were growing only one or two vegetables at a time.



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In the past, we often had no choice but to sell vegetables for a very low price.”



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MORE THAN ONE REASON FOR CHANGING THEIR PRACTICES

Low and fluctuating prices were not the only reason for the couple to change their practices: Ms Keo remembers: “We had a lot of issues with chemical farming. We did not feel very comfortable spraying the food we wanted to eat with so many harmful substances. When we ate vegetables harvested after application of chemical fertilizers, we often got diarrhoea and had stomach problems. Especially my husband suffered from various health issues like skin itches. All the bad health effects have disappeared since we stopped using chemicals.”

PGS HELPS FARMERS TO IMPROVE THEIR PRACTICES & REINFORCE SOCIAL VALUES

In 2016, Ms Sieng suggested to join a Participatory Guarantee System (PGS). In a PGS, farmers meet on a regular basis to make sure they comply with the organic standards, while improving their farming practices through knowledge sharing. Mr Keo remembers: “Through the PGS process, we learned from the other farmers how to build a buffer zone to protect our farmland. We also got a lot of tips on compost making and now see a great improvement in our soils. Healthier soils mean healthier food for our family and our customers. Before the PGS, I never asked other farmers about their practices, because I was afraid they would look down on me. When I joined the PGS, I started to open my heart; I love talking to other farmers and sharing knowledge and they love talking to me too.”

WITH PGS FARMERS CAN GAIN THE TRUST OF CONSUMERS

Through PGS, other stakeholders like consumers and local government representatives also participate in guaranteeing the organic practices. Through farm visits, trust is built and values are shared. Consumers are willing to pay more for PGS-certified organic products, as they trust the food they put on their plates has been produced sustainably and free of harmful inputs.

Being part of the PGS initiative offers stable market access to Mr and Ms Keo. While conventional market intermediaries always look for the lowest price, Ms. Sieng has made contracts with PGS farmers to buy all their produce surplus at a fair price. The production plan is made jointly by Ms Sieng and the farmers and she sells most of the vegetables in Phnom Penh through her own organic shops and wholesale. She pays farmers a fixed price much higher than the price set by market intermediaries. For example, for Choi Sum, Ms Sieng pays KHR 2 000 - 3 000 (USD 0.50-0.74) per kg, while the others paid only KHR 500 (USD 0.12) per kg.

The livelihood of the Keo family improved significantly since they started selling PGS-certified organic vegetables.



Changing the way of farming changed our whole life.”

They now have an annual income as high as USD 5 600. They were not only able to pay back all their debt, but they can send their children to school and will build a new family home. The nutrition of the family has improved, they can afford all the food they like, but more importantly have plenty of healthy organic vegetables all year round from their own farm. The success of Mr Keo and Ms Keo is also influencing neighbours: the group expanded from 9 to 20 farmers and more are asking to join.

Mr Keo does not regret his decision: “Organic farming and PGS require more work on the farm because we grow a bigger variety of vegetables and produce our own farm inputs, instead of buying them. But the result is worth it. We now have less worries and see a brighter future for us and our children. I hope all farmers in Sa Ang District – and in the whole of Cambodia – will stop using chemicals and join PGS, not only for higher incomes but to improve their health as well the life quality of their communities”.

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Lack of market access is a key reason why farmers in Cambodia are poor.”

Participatory Guarantee Systems (PGS) in Cambodia

THE STORY OF MS BUN SIENG: A PGS-ORGANIC SMALL ENTREPRENEUR

In Cambodia a large percentage of food other than rice is being imported. Food safety is a serious concern for many consumers and many imported as well as locally produced foods were found to be contaminated with pesticides or other pollutants¹. The majority of Cambodian farmers live in rather poor conditions, they have limited access to extension services and rural credits, low level of technology and weak commercialization linkages. At the same time an increasing number of consumers are looking for nutritious and safe food produced in Cambodia and are willing to pay farmers a fair price.

Ms Bun Sieng, an agronomist who has worked in rural communities in the country for years, knows the challenging situation of farmers. According to her observation, the lack of access to markets is the main reason why so many Cambodian farmers are stuck in poverty cycles. In 2012, she decided to start a business in order to link farmers to markets and give as many people as possible access to good quality locally produced vegetables.

STARTING A BUSINESS WAS NOT EASY

The beginning was difficult. Ms Sieng started selling chemical-free vegetables sourced from local farmers

at a popular market in Phnom Penh. But people who shopped there were not willing to pay a higher price for Ms Sieng’s vegetables. She soon realized that finding the right location was key to success: “I decided to move to a place where people are interested in health issues and sent my team to sell in front of a gym. The response was astonishing - we were sold out in half an hour.” Once her products became popular with consumers Ms Sieng soon encountered another problem: The lack of consistent supply and the small diversity of products she had to offer. This challenge seemed too big to handle for her at the time and she decided to put her business on hold.

WAITING FOR THE RIGHT OPPORTUNITY

Then in 2014 the Royal University of Agriculture started a project to support domestic vegetable production. The project provided training, e.g. on compost making and supported farmers in purchasing net-houses. When Ms Sieng heard that they were looking for green shops to join, she decided to reactivate her business. She points out “Net-houses protect the crops from insects and other pests. They reduce loss and make it easier to plan and ensure consistent supply. This was the opportunity I had been waiting for.”



Several farmers in Kandal Province, living in villages about 1 hour drive from Phnom Penh, became part of the net-house farmers initiative and they became suppliers of Ms Sieng who agreed to buy all their surplus production and pay them a fair fixed price regardless of price fluctuations in the market. In return, the farmers allowed her to get involved in the production planning to match the production with the needs and demand from the market.

From there the success story really starts. In 2015, Ms Sieng opened her first green shop and soon started supplying other shops and supermarkets in Phnom Penh. It was then that she decided to leave her full-time job and concentrate on her own business only.

Then another major opportunity arose. Ms Sieng had sold her products as “chemical-free”, but in 2016 she decided to approach her farmers and ask them to fully convert to organic agriculture and to join in building a Participatory Guarantee System (PGS). She made this decision after she attended the PGS Training of Trainers (ToT) jointly organized by FAO and IFOAM – Organics International under the pilot project on “Small-Scale Farmer Inclusion in Organic Agriculture Development through Participatory Guarantee Systems (PGS)”. During this training, she learned that becoming part of a PGS opens up opportunities for smallholder farmers, who cannot afford the services of third party certifiers, to label and sell their produce, as guaranteed organic, at local markets. Consumers, in turn, can be

sure the food they put on their plates has been produced sustainably and free of harmful inputs. And entrepreneurs like herself have the chance to attract consumers willing to pay higher prices for safe products as well as certifying the products that are sold as PGS-organic.

FARMERS TRUSTED MS SIENG AND WERE OPEN TO ADOPT PGS

Ms Sieng remembers the time she introduced PGS: “When I told the farmers about PGS they were willing to give it a go because they trusted me.” Even though the farmers had already produced without using chemicals, many of them had to change and improve their practices to comply with organic standards. One of the changes was the introduction of buffer zones to prevent chemicals from the neighbouring conventional farms entering organic plots. Most farmers also had to improve their soil management practice and make sure animal manures are properly composted before applying them to the vegetables.

SATISFIED CONSUMERS WITH, STABLE SUPPLY AND DEMAND OF PGS-ORGANIC PRODUCTS

In total 87 farmers of which 48 are already organic PGS-certified sell their vegetables to Ms Sieng. They supply about 50 kinds of vegetables and some seasonal fruits and a daily amount of



Supplying vegetables to Ms Sieng has transformed our lives. I used to be in debt and sick from the chemicals. Now our family looks into a bright future.”

up to 3 tons depending on the season. Ms Sieng has created jobs in the urban area through PGS as well, a total of 16 full time and some more part time staff work with her. According to her experience the potential for the organic market is high, but the main constraint is having a consistent supply and it also takes time to find new committed farmers to join and for them to change their practices before they can start selling as organic.

In the future Ms Sieng hopes that her small initiative will grow and spread further. “Consumers are becoming more aware of the benefits of organic food. More and more are willing to pay the slightly higher price, safe in the knowledge that they are getting better and more nutritious produce. When I think about the future, I also think about how we can work with whole villages to become organic giving more people access to sustainably produced fruit and vegetables.”

ABOUT FAO TECHNICAL COOPERATION PROGRAMME (TCP)

- Title: Small-scale Farmer Inclusion in Organic Agriculture Value Chain Developments through PGS
- FAO project in 2 countries: Cambodia and Lao PDR
- Objective: Address certification and marketing issues through the promotion of PGS
- Implemented 2015-2017 together with the Ministry of Agriculture Forestry and Fisheries (Cambodia) and the Ministry Agriculture and Forestry (Lao PDR)
- Key partners: IFOAM – Organics International, Asian Development Bank and Earth Net Foundation
- Facilitating organizations in Cambodia: Cambodian Center for Study and Development in Agriculture (CEDAC), Center for Organic Development (COD), Caritas Cambodia and Natural Agriculture Village (NAV)

1 Khmer Times [online] Food safety a health concern for Cambodia, October 12, 2017 [Cited 27 November 2017] <http://www.khmertimeskh.com/5085845/food-safety-health-concern-cambodia/> and Deutsche Welle [online] Toxic chemicals in food raise health concerns in Cambodia online [Cited 27 November 2017] <http://www.dw.com/en/toxic-chemicals-in-food-raise-health-concerns-in-cambodia/a-19485459>.