TECHNICAL REPORT

Exploring opportunities to increase the synergy between Participatory Guarantee Systems (PGS) and Third-Party Certification (TPC) in organic agriculture.

IFOAM ORGANICS INTERNATIONAL

Mountain Partnership

Contents

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Introduction

Recent research[1] by the Food and Agriculture Organisation of the United Nations (FAO) estimates that, worldwide, there are at least 550 million family farms (run by an individual or family and relying primarily on family labour); these operate 70-80% of farmland and produce roughly 80% of the world's food in value terms. Small farms (smaller than two hectares) account for 84% of all farms and although they operate only 12% of agricultural land, they produce 35% of the world's food. This research also indicates that small farms operate a greater share of farmland in lower-income countries and regions (mainly located in East Asia and the Pacific, South Asia and sub-Saharan Africa) than in higher-income countries and regions.

Smallholder agriculture and family farming is multifunctional, as it accounts for the majority of rural employment, most food production and the provision of ecosystem services, contributing to the preservation of natural resources and biological and cultural diversity in their rural settings.[2] Smallholders and family farmers have therefore an essential role in in the implementation of sustainable food systems. Although representing only a small share of the total number of farmers worldwide, this contribution is particularly relevant in the certified organic sector, as more than 80%[3] of the almost four million certified organic producers worldwide are smallholders in low- and middle-income countries.

With its techniques in soil, water and biodiversity conservation, as well as its integral and sustainable farm management, organic agriculture can be highly productive, achieve family food security and improve incomes. Organic farming systems are also more resilient than conventional systems that are highly dependent on external inputs, providing a way to achieve ecological, agronomic and socio-economic intensification of smallholder agriculture and family farming. Adoption of organic agriculture, though, is vitally linked to market access. Smallholders and family farmers mustn't be marginalised and unduly excluded from the organic sector due to factors beyond their control. Organic standards must allow for local equivalence, while organic certification systems must be innovative and cost-efficient enough to address smallholders' situations worldwide.

Organic agriculture as a concept is often taken to mean third-party certified organic. But this concept goes far beyond this narrow definition. IFOAM - Organic International embraces the worldwide adoption of organic agriculture in its full diversity, including different approaches to verify conformity to organic standards as well as non-certified organic agriculture[4]. Certification does not always bring advantages to producers, as in cases when they do not engage in marketing and therefore do not need to make organic claims.

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1 Sarah K. Lowder, Marco V. Sánchez, Raffaele Bertini, "Which farms feed the world and have farmland become more concentrated?, World Development, Volume 142, 2021, 105455, ISSN 0305-750X, https://doi.org/10.1016/j.worlddev.2021.105455.

2 IFOAM – Organics International, 2011. Position Paper: The role of smallholders in organic agriculture.

3 Meinshausen, F., Richter, T., Blockeel, J., Huber, B., 2019. Group Certification - Internal Control Systems in Organic Agriculture: Significance, Opportunities and Challenges. Research Institute of Organic Agriculture FiBL, Frick.

4 IFOAM – Organics International, 2017. Position Paper: The full diversity of organic agriculture – What we call organic.

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 good quality of life for all involved.

(IFOAM General Assembly, 2008)

Organic guarantee is essentially needed to build trust in a market context, where consumers demand a specific quality and producers want or need to demonstrate the organic quality of their production. In these cases, producers may choose between third party-certification or Participatory Guarantee Systems (PGS), depending on the specific requirements of the markets they would like to access.

Third-party certification is the most commonly adopted verification process for organic agriculture because it is often required by countries that have regulated their organic markets, adopting specific legal frameworks. This is the case for the main importing countries such as the USA, Germany and France. Nevertheless, for the majority of the world's organic producers, individual third-party certification is very expensive and administratively too complex to manage. Alternative approaches have existed for many years and have further been developed in particular in the past two decades. Hence, smallholders and family farmers can make organic claims by adopting group certification with the associated concept of Internal Control System (ICS), currently adopted by an estimated total of 2,6 million certified producers[5], or by joining a PGS initiative, currently adopted by an estimated total of 1,205 million certified producers[6].

IFOAM – Organics International has been promoting these alternative approaches to individual third-party certification precisely because they make it possible to ensure organic integrity for different markets and consumers while being more appropriate to the specific needs of smallholders and family farmers. **The approaches are similar in many ways but serve different purposes.** Adopting one of them is often not enough for a producer to fully benefit from making organic claims: PGS-certified producers may wish to sell their products to an export market. They would therefore need to link to third-party certification. This link can happen either through third-party certification as an individual or through group certification and ICS. And it could also happen that a producer involved in group certification wants to sell products that are out of the scope but grown in the same areas as the organic produce certified by an ICS, at a different, local market. Both situations lead to double certification. It is not yet clear to which extent double (or even triple) organic certification is taking place, and how this impacts the stakeholders involved.

There are benefits and challenges related to the adoption of any quality assurance system for organic agriculture, and multiple certifications potentially increase both benefits and challenges. There are a few documented cases of Organisations working simultaneously with different approaches and some reports on cases of producers involved in more than one organic guarantee system, namely group certification (ICS) and PGS. But to the best of our knowledge, the topic is yet to be properly documented. Analysing practical cases could provide insights and justify changes or offer ideas for replication in the implementation of

5 Meinshausen, F., Richter, T., Blockeel, J., Huber, B., 2019. Group Certification - Internal Control Systems in Organic Agriculture: Significance, Opportunities and Challenges. Research Institute of Organic Agriculture FiBL, Frick.

6 Anselmi, S.; Moura e Castro, F., 2022. Participatory Guarantee Systems in 2021 in The World of Organic Agriculture. Statistics and Emerging Trends 2022. Research Institute of Organic Agriculture FiBL, Frick, and IFOAM – Organics International, Bonn.

the two approaches, to better suit stakeholders and contribute to building sustainable food systems. This report is the result of an initial attempt to identify, document and describe the combined use of different guarantee systems specifically relevant to smallholders and family farmers, to identify overlapping areas and possible synergies.

Methodology

The purpose of the report is to describe relevant existing cases that combine PGS and third-party certification, with a focus on ICS for group certification; explore the potential and opportunities for synergies; and draw lessons learned and recommendations.

The methodology used for research draws on the experience in collecting, compiling and publishing information on organic guarantee systems that IFOAM – Organics International has accumulated in particular during the past two decades.

A review of relevant literature provided information for the conceptual framework and to contextualise ICS and PGS initiatives at a global level. A key reference at this level is the report "Group Certification - Internal Control Systems in Organic Agriculture: Significance, Opportunities and Challenges published in 2019 by the Research Institute of Organic Agriculture (FiBL) and authored by Florentine Meinshausen, Toralf Richter, Johan Blockeel and Beate Huber.

Expert interviews were conducted with various selected stakeholders, involved in research or implementation of ICS and PGS initiatives in different parts of the world, to identify practical elements of as well as benefits and challenges related to the parallel implementation of PGS and ICS.

For the case studies presented in part two of this report, interviews with Frank Kimario and Alexander Wostry (SAT), as well as with Rosângela de Souza Paiva and Maria Regina Mendes (COOPFAM), provided details and insights on the implementation of the combined approaches.

As the result of a preliminary study, this report provides an initial exploration of the relationships between ICS and PGS, concluding with recommendations for further research and implementation. Specifically, the report concludes with recommendations to be applied in the case of members of the Mountain Partnership Products (MPP) initiative that is already implementing PGS and would be interested in third-party certification for exports.

Part one
Two approaches, one objective

The two main types of organic certification particularly relevant to organic smallholder and family farmers are participatory certification, through PGS, and third-party 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 and are similar in many ways: they operate using collective certification tools, develop specific mechanisms for compliance verification, adopt documented management procedures, require producers to take a pledge or sign a contract committing to comply with the relevant organic standards, offer access to markets and to an organic logo. There is no formal barrier preventing an ICS from operating similarly to a PGS initiative or vice versa. As a

result, these are often confused, although there are significant differences between them.

The first main difference is the fact that ICS and group certification, unlike PGS, are within the framework of third-party certification. Third-party certification is based on reviews of applications, which include the producers' internal procedures such as organic system plans, and an annual inspection visit by a trained independent inspector. Independence is therefore considered the necessary requirement to ensure integrity. This means that a separation between the provision of certification services and the provision of technical support or marketing channels is essential both in individual and group third-party certification. Table 1 summarises the main differences between third-party and participatory certification.

Third-party certification	PGS certification
Professional: service provided by formally constituted legal entities, namely certification bodies, which can be public or private (for-profit or not-for-profit) Organisations	Voluntary to professional: services provided by stakeholders with or without the involvement of a legal entity, often with support from Non Governmental Organisations
Independent from stakeholders	Participatory (stakeholder involvement)
In accordance with international norms	Following general international principles but locally adapted
Provides access to international, regulated markets (with right channels)	Access mostly to local, regional or unregulated markets
Most common guarantee system in government organic regulations	Often not recognised nor supported by governments
Focus on certification	Combines certification with other functions, e.g., capacity building, marketing, etc.

Table 1: Main characteristics and differences between Third-Party Certification and Participatory Guarantee Systems

Hence, operating under a different certification logic, ICS and PGS fundamentally differ in many aspects:

- In PGS, stakeholders are involved in the decision-making process. For each PGS initiative, key stakeholders are engaged in the system's design and operation. Ownership and control of the process come from inside the initiative itself, not from an outside agency, as a certification body. In ICS, the certification body is only responsible for making decisions and granting certification.
- An ICS has to operate within the overall context of third-party certification and in accordance with the 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 most PGS initiatives, each farmer receives an individual certificate. This is clearly in contrast with the group certificates issued in an ICS, which are owned by the group or the processor/trader.
- PGS encourage diversified production systems as the certification applies to the whole farm, and the initiatives are usually focused on providing food for local mar-

kets. ICS is mostly geared towards export markets for commodities such as coffee and cocoa.

- PGS initiatives allow producers to market their products individually, according to their own choices. Even if a PGS initiative normally takes additional steps to support producers with marketing, for example, organising sales outlets such as an organic shop or a weekly farmer's market, there is normally no requirement for collective marketing for the producers certified. In ICS, on the other hand, collective marketing through cooperative or exclusive sales to the processor/trader, who also normally owns the certificate, is an essential requirement.
- PGS are particularly suitable for direct and short-supply chain marketing but less so for long or complex supply chains or exports of organic products, not least because most regulated organic markets do not accept this form of guarantee for imports.
- 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.
- Consumers or buyers are often involved in PGS. While buyers may be, consumers are not involved in ICS.

At this point, a description of each of the two approaches is necessary, before moving forward to analyse similarities from a theoretical perspective.

Defining and contextualising PGS

Participatory Guarantee Systems (PGS) are locally focused quality assurance systems. They certify producers based on the active participation of stakeholders and are built on a foundation of trust, social networks and knowledge exchange.[7] PGS represent an alternative to third-party certification, specially adapted to local markets and short supply chains. They are also sometimes referred to as 'participatory certification'. PGS share a common objective with third-party certification systems in providing a credible guarantee for consumers seeking organic products. The difference is in the path to accomplish this, with the emphasis, in the case of PGS, being on stakeholder participation and transparency.

PGS certification offers numerous benefits, including improved access to organic markets through an appropriate guarantee system, increased education and awareness among consumers by involving them in the guarantee process, promotion of short supply chains and local market development, and farmer capacity building and empowerment. Supporting PGS development, hence, is a way to promote organic agriculture adoption, but also livelihood improvements through market access and empowerment of family farmers and smallholders.

Across the world, credible organic agriculture movements have emerged based on PGS, which existed even before third-party certification became the more widespread quality verification system for organic agriculture. PGS also strive for a collective commitment to a set of principles reflected through actions that demonstrate measurable compliance to the organic principles. Recognising and involving different stakeholders in the design, implementation, and day-to-day operations of a PGS is integral to its overall effectiveness and credibility. These dynamic engagement opportunities and possibilities to demonstrate compliance allow each PGS initiative to develop in its own unique way. Nevertheless, all PGS initiatives contain key elements and features, which are consistent throughout the

7 Official definition adopted by IFOAM – Organics International in 2008.

world.

The key elements of PGS are six:

- **A shared vision:** this is the starting point of a PGS, the conscious shared vision that farmers and consumers have in the core principles guiding the PGS initiative. 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 eco-systems, the autonomy of local communities, cultural differences, and more. These serve as references both for production standards to be adopted and rules on how the PGS will operate.

- **Participation:** this is reflected through active engagement of stakeholders who share a common vision and the credibility of the production quality is a consequence of participation. 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. All stages of planning, from PGS development to day-to-day processes are facilitated by the stakeholders in various capacities. The concept of participation embodies the principle of collective responsibility to ensure the organic integrity of the PGS. Consumers may also be actively engaged in a PGS: they not only buy PGS-certified organic products but also substantially help with implementation by engaging in decision-making processes, peer review, and management.

- **Transparency:** All stakeholders, especially farmers, must be aware of exactly how the guarantee mechanism generally works, the process and how decisions are made. This does not mean that every detail is known by everyone but rather that all have a basic understanding of how the system functions. People should be aware of the criteria of how the decision on certification is made, especially the reason why a farm cannot be certified. It is created by educating all stakeholders, including producers and consumers, on how the guarantee system works. This includes standards, norms (the organic guarantee process), and decision-making processes.

- **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.

- **Horizontality:** This is reflected in the overall democratic structure and through the collective responsibility taken up by those involved and means of sharing power. The verification of the organic quality of a product or process is not concentrated in the hands of a few. All involved in the process have the same level of responsibility and capacity to establish the organic quality of a product or process. 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.

- **Learning Process:** It is important that the process of certification contributes to the construction of knowledge networks. 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 of 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 following are the ten key features, or operational characteristics deriving from the key elements indicated above, which are normally present in all PGS initiatives:

1. **Principles and values that enhance livelihoods:** PGS are characterised by clearly defined principles and values that are aimed at improving the well-being of farming families, ensuring fair relations with consumers and promoting organic agriculture.

2. **Suitable to smallholder agriculture:** the participatory nature and horizontal structure of PGS allow for more appropriate and less costly mechanisms of certification for smallholder farmers, and actually highlight, celebrate and encourage consumers to seek out smallholders.

3. **Norms conceived by the stakeholders:** the organic standard that the PGS will be based upon is chosen through a participatory process, always in accordance with the commonly understood sense of what constitutes an organic product.

4. **Grassroots Organisation:** participatory certification is a result of a social dynamic, based on an active Organisation of all stakeholders.

5. **A farmer's pledge:** through a documented process, each farmer makes a commitment to follow the agreed organic standard and to implement the PGS processes.

6. **Clear and previously defined consequences:** from the outset, farmers are aware of and agree on the consequences of not complying with the agreed-upon standard and procedures. Actions to be taken in such cases must be transparent and consistent.

7. **Documented management systems and procedures:** there may be minimal paperwork required of farmers but there will be ways in which they are expected to demonstrate their organic commitment and integrity, which should be documented by the PGS.

8. **Mechanisms to verify farmers' compliance with the established norms:** in PGS, such mechanisms must be able to stimulate participation and allow a learning process for all stakeholders.

9. **Mechanisms for supporting farmers:** these include learning opportunities on how to solve technical challenges of organic farming, facilitation of market access and even parallel social processes, such as collective seed management, collective work or small-scale savings systems.

10. **Seals or labels:** seals or logos on a product label enable consumers to quickly recognise which products have been guaranteed through the PGS.

Being based on complex social processes, PGS require long-term capacity building among all the stakeholders involved and skilled facilitation in its set-up. Also, PGS only function

if basic conditions are fulfilled, especially that there is sufficient demand and marketing channels for organic products are in place.

IFOAM – Organics International is the only Organisation collecting data about PGS on a global level. Until early 2022, the PGS database of IFOAM - Organics International recorded 242 PGS initiatives in 78 countries, with at least 1'244'239 producers involved, among which 1'205'050 producers were certified. It is estimated that these producers manage 915'997 hectares of land. The absolute majority of PGS-certified producers and producers involved in PGS are found in India, where according to the data from the Indian Ministry of Agriculture and Farmers Welfare, a total of 1'171'224 producers are certified and manage 757'097 hectares of PGS certified area. The other countries with more than 1'000 producers certified by PGS: Brazil (8'741), Thailand (2'119), Peru (1'790), Tanzania (1'764), Bolivia (1'287), France (1'147) and Burkina Faso (1'098).

Despite the benefits offered and increasing adoption by producers all over the world, few governments recognise PGS as a means to verify organic agriculture practices. In many cases, governments are even inhibiting PGS development by setting up organic regulations that do not take PGS into account. Of 109 countries with an organic regulation in place or under development in 2021[8], only 16 have considered PGS when developing their organic legislation and regulation. Among these countries, there are also some involved in the Mountain Partnership Product initiative[9]: Bolivia, India, Mongolia, Peru and the Philippines have an organic regulation in place which includes or considers PGS as an approach to verify conformity with organic standards. Government organic regulations often restrict the use of the word organic or its equivalents (ecological, biological, etc.) to organic producers that are certified by an accredited third-party certification body (based on ISO Guide 17065). This directly excludes PGS initiatives, and, as a result, organic farmers involved in these systems can no longer make organic claims, and they fall out of the statistics and open market of the organic sector. In order to encourage the adoption of organic practices and expand the organic sector beyond third-party certified organic operators, there is a need to recognise and support PGS within national organic policies and regulations.

Defining and contextualising ICS

Group certification is the dominant approach for organic certification of smallholder farmers in low- to middle-income countries. Estimates[10] indicate that it is used to certify about 2,6 million organic farmers worldwide, and about 5,6 million farmers across other socio-environmental sustainability schemes such as Fairtrade, UTZ-Rainforest Alliance, GLOBALG.A.P. or FSC, who have taken inspiration from the organic ICS concept, adapted it and sometimes developed it further. Internationally harmonised requirements for group certification were developed through international multi-stakeholder processes facilitated by IFOAM – Organics International. These requirements have subsequently been taken up by various governments in their organic regulations and can be found in the IFOAM Accreditation Requirements.

8 Willer, Helga, Jan Trávníček, Claudia Meier and Bernhard Schlatter (Eds.) (2022): The World of Organic Agriculture. Statistics and Emerging Trends 2022. Research Institute of Organic Agriculture FiBL, Frick, and IFOAM – Organics International, Bonn.

9 Guatemala and Panama have fully implemented organic regulations with no PGS recognition, while Kyrgyzstan has developed regulations on organic that are not yet fully implemented. In Lesotho, Nepal, Rwanda organic agriculture is not regulated.

10 Meinshausen, F., Richter, T., Blockeel, J., Huber, B., 2019. Group Certification - Internal Control Systems in Organic Agriculture: Significance, Opportunities and Challenges. Research Institute of Organic Agriculture FiBL, Frick.

Group certification with the associated concept of Internal Control Systems (ICS) facilitates access of smallholders and family farmers to organic certification and, hence, to organic markets where third-party certification is requested. The ICS is part of the guarantee system that allows a certification body (CB) to delegate the periodic inspection of individual group members to an identified body or unit within the group of producers or operators (internal inspection). Internal inspections are carried out by trained inspectors for all members on an annual basis. The CB only has to inspect the well-functioning of the system and perform a few spot-check re-inspections of individual smallholders (external inspection). It is important to highlight that there must be a separation between people involved in conducting internal inspections and those offering advisory or training services.

Although the costs of external certification per farmer are much lower in a group, the operational costs of a quality ICS can be considerable, due to the complexity and the kind of skill sets required to run them. Therefore, farmers involved in group certification are normally supported by an Organisation (cooperative, NGO or company) and the most common Organisational types for certified producer group operations are:

1. Self-organised producer groups: a group of farmers, who are members and co-owners of the group, jointly organises the marketing of their produce. Farmers are involved in major group decisions to some extent, as normally they are organised into farmer cooperatives with or without an NGO or commercial service provider who support the management of the group.

2. Producer groups that are affiliated to a processor or trader (contract production): a company that purchases from a defined list of producers and acts as the group administrator, operating the ICS. The producers are certified as a group under the company's organic certificate. The producers in this list could be organised as a group, holding regular meetings and group exchanges, or have nothing more in common than selling to the same company and being certified under their ICS.

Both Organisational types have been adopted across the globe, although self-organised producer groups (cooperatives or unions of cooperatives) are more common in Latin America while producer groups affiliated to a trader or processor (contracted) are more the predominant Organisational form in Asia and in Africa.

IFOAM - Organics International has played a key role in the harmonisation of the ICS concept. Starting in 2003, IFOAM - Organics International submitted to the EU a Position on Smallholder Group Certification for Organic Production and Processing, showing the consensus reached by the organic sector globally on the ICS requirements, which resulted in the EU accepting group certification with essentially these requirements. This was an important achievement leading to consistent adoption of this approach, for the benefit of millions of smallholders and family farmers exporting their produce to the EU. Based on this, a training kit on ICS for smallholder group certification was published and remains a key resource for groups of producers and Certification Bodies still today.

Following the publication of the new EU Organic Regulation 2018/848 in May 2018, the EU Commission started to publish implementing regulations to provide further guidance for group certification. The new text includes changes that will significantly impact the existing groups of smallholders and family farmers in non-EU countries, namely: the need to form a new legal personality for each group consisting only of small organic farmers; a new limit on the number of small farmers allowed in each group; and higher external control rates

and residue sampling requirements.

In 2018, IFOAM - Organics International partnered with the Swiss Research Institute for Organic Agriculture (FiBL) to study the scale, achievements and outlook of group certification, examining its importance and implementation within the organic sector and among other voluntary sustainable schemes. Published in 2019, this study is the main reference in terms of assessing the importance of the individual elements of ICS, how effectively they are implemented, the opportunities for the further development and, in particular, the scale of group certification, since there are no official statistics about ICS certified producer groups available: databases and certified operator lists maintained by certification bodies, from which information is normally retrieved, in particular by FiBL for the compilation of annual statistics on the organic market, normally do not specifically identify producer groups, nor the number of producers within them.

The study estimates[11] that there are about 2.6 million organic producers organised[12]. Coffee and cocoa are the main products offered by the certified organic groups, but other crops such as bananas, cotton and spices also play an important role. Farms involved in group certification range from 1-4 ha and, in terms of size of groups, the study indicated that there are big variations among regions and from country to country, with the biggest being found in Africa, where it is common for groups to have more than 10000 members. This is one indicator of the need for more coherence and consistent application of requirements for group certification identified by the researchers, who concluded that the complexity of ICS requires additional skill sets compared to what is needed to certify individual farms or enterprises.

The researchers also conclude that "training on how to implement organic principles in practice is crucial for the long-term success and compliance of organic groups. There should be more explicit requirements to include these aspects as part of the group certification process. As part of this process consideration should be given to allowing the same field officer to conduct internal inspections and to provide advisory/training services, as this would facilitate capacity building, especially within groups with a very limited ICS budget."

The new EU Regulation, applicable from January 2022, foresees a transition period for recognised equivalent Control Bodies (CBs) operating in non-EU countries (Third Countries) until 31 Dec 2024. The re-defined rules refer to many of the points identified by the 2019 study as areas that needed specific guidance and essentially require a revision of the way group certification had been implemented so far. The key changes refer to how groups are set up, the Organisational setup and the functioning of the ICS. Only farmers managing up to 5 ha of land in total or with a maximum of 25000 Euros of organic turnover can join a group, which must be composed of a maximum of 2000 members. Each group must also have a "legal personality" established, for example, by official registration as an association or cooperative.

In particular, Art 36.1 new EU Organic Regulation 2018/848 requires groups must be composed only of farmers, making clear the intention of the EU that this approach to certification is to be adopted only by smallholder producers, not by companies. This has significant implications for the currently certified organic groups as the second common

11 Meinshausen, F., Richter, T., Blockeel, J., Huber, B., 2019. Group Certification - Internal Control Systems in Organic Agriculture: Significance, Opportunities and Challenges. Research Institute of Organic Agriculture FiBL, Frick.

12 Meinshausen, F., Richter, T., Blockeel, J., Huber, B., 2019. Group Certification - Internal Control Systems in Organic Agriculture: Significance, Opportunities and Challenges. Research Institute of Organic Agriculture FiBL, Frick.

Organisational set up as indicated above, where a processor or trader organises the group of farmers (contract production) will therefore not be any more once the transition period is over a separation between processor (or processing company) and the certified group of farmers is therefore clearly required.

It is difficult to imagine that a new and inexperienced farmer Organisation, without capital and management experience, would be able to manage an ICS as well as business operations reliably to fully comply with the new regulations. Nevertheless, some operational flexibility is foreseen for example, the ICS can be operated by the processor or trader (company), as long as it is separated from the legally formed group of producers. Also, the group is responsible for joint marketing of the members' organic products but can subcontract some processes to a partner company, such as farm gate collection, quality grading, transport and traceability systems, and payment.

An important new EU Requirement also refers to a major area of concern identified by Meinshausen et al, namely that of farmers' capacity building. In fact, it is foreseen that ICS shall have procedures for training of members of groups on ICS procedures and the requirements of the EU organic Regulation.

Similar challenges

Based on this review of the concepts, it is clear that PGS and ICS have many common aspects, such as the Organisation of producers in groups (often based on geographical proximity or scope of production), the Organisation of regular farm visits to verify conformity with organic standards based on clearly defined tools and procedures, and the participation of producers and their Organisations (such as associations and cooperatives) in the verification and certification processes, with varying degrees of responsibility and accountability. This participation brings about a sense of ownership over the guarantee and some degree of social control among the producers involved, especially in PGS. Depending on the markets to be accessed, and particularly, if they are regulated or not, one approach will offer more benefits, or create more challenges, than the other.

Apropos of challenges, at this point, it is interesting to compare those commonly associated with the different guarantee systems. In their review of ICS, Meinhausen et.al indicates that the common challenges affecting group certification refer to:

- low farmers capacity and motivation for organic agriculture and lack of training;
- high staff turnover or not enough motivation among those involved in the ICS;
- poor documentation and data management;
- high operational costs, especially for smaller groups, that cannot be fully covered by the organic premium;
- lack of trust among buyers, related to the perception identified through the study that ICS is less trustworthy than individual certification;
- Organisation of producers and social control (complexity);
- setting up a working system with defined procedures;

These issues have also emerged in different analyses of PGS initiatives, so it is possible to draw parallels. In fact, setting up a PGS is a complex endeavour[13] that requires a signifi-

13 IFOAM – Organics International. PGS Guidelines. How to Develop and Manage Participatory Guarantee Systems for Organic Agriculture Germany, 2019. Available online at: https://www.ifoam.bio/sites/default/files/2020-05/pgs_guidelines_en.pdf

cant amount of time, work, and commitment, especially from producers. Along with the perennial challenge of record keeping, it is important to invest in capacity-building for all stakeholders potentially involved in PGS to ensure that participants have a good understanding of PGS principles and practices.

PGS may be relatively cheap and accessible for small-scale producers compared with third-party certification for the domestic market, but they are not always the most cost-effective process to link producers with local markets, for example, in cases where there is no consumer demand for organic guarantee. There are various costs associated with the development and operation of a PGS initiative[14]: investments are needed during the initial phase as well as in the long run, particularly in terms of time and engagement to manage the processes and procedures required for the guarantee system, which can be sustained through voluntary work only up to a certain extent. Setting up an operational PGS initiative takes, on average, three years at least. During this period, implementation tools must be developed, tested and adapted, in a process that certainly contributes to building capacities and knowledge among the stakeholders involved, but also requires significant time commitment that not all producers are able to invest.

Ultimately, the cost of participation for producers must be low or outweighed by the benefits they receive as members of a PGS[15] since this significantly influences the sustainability of a PGS initiative. Furthermore, the PGS initiative should be able to function without depending on subsidisation from external sources such as development cooperation projects, donations or government subsidies. These are important sources of income but there is a high risk that PGS initiatives established via projects eventually will not continue to be operational after the end of the project due to lack of funds. Voluntary work provided by members to cover administrative and coordination activities is common among PGS initiatives and even one of the advantages of this approach, contributing to reducing operational costs for implementation. But it can also pose difficulties in the long run, creating the need to ensure the availability of resources, eventually through donations and grants, but especially through regular payment of fees by the producers involved.

14 Moura e Castro, F., Katto-Andrighetto, J., Kirchner, C. & Flores Rojas, M. 2019. "Why invest in Participatory Guarantee Systems? Opportunities for organic agriculture and PGS for sustainable food systems." Rome, FAO and IFOAM - Organics International. Available online at: https://www.fao.org/3/ca6641en/CA6641EN.pdf

15 See previous note.

Part two

This part presents two case studies of Organisations that work with smallholders and family farmers to support access to certification, capacity building and marketing: Sustainable Agriculture Tanzania (SAT), from Tanzania, and the Cooperative of Family Farmers of Poço Fundo and Region (Cooperativa dos Agricultores Familiares de Poço Fundo e Região Ltda - COOPFAM), from Brazil. Both cases refer to organic producers in mountain areas who are involved in initiatives adopting the two approaches to organic certification addressed here: ICS for group certification and PGS. The description clarifies how for the first case study, in Tanzania, the process began with PGS implementation and subsequently incorporated ICS for some of the producers. For the second case, the opposite happened as the farmers obtained third-party certification through ICS for groups of producers first, and only after several years, decided to adopt also PGS. Differences and similarities are discussed in the last part of the report, where we also present some conclusions and possible recommendations.

Sustainable Agriculture Tanzania: PGS and ICS to support the adoption of sustainable agricultural practices

Sustainable Agriculture Tanzania (SAT) is a non-profit Organisation registered in June 2011 in Tanzania, one of the strongest organic agriculture Organisations currently active in East Africa. With a vision to spread sustainable agricultural practices so that the "majority of farmers are using acknowledged agroecological methods to improve their livelihoods, conserve the environment and reduce pressure on natural resources"[16], SAT uses a holistic approach to empower small-scale farmers in Tanzania based on four pillars: knowledge dissemination; application and marketing; research; and networking.

SAT started to invest in PGS in 2011[17], funding PGS training for farmers that had been coached on organic practices. The PGS training was carried out by experts working for the Tanzanian Organic Agriculture Movement (TOAM). Their objective was to develop a guarantee system that would enable the sustainable continuation of the organic practices and promote a change of mindset among local stakeholders and buyers, for whom organic products were mainly considered as goods for export only. With support from SAT, the Maendeleo group, located in Towelo village, gathering about 20 small holder producers farming on the slopes around Morogoro, became the first PGS to be granted access to the East African Organic Mark (EAOM) in 2012. That same year, SAT opened its first organic store in Morogoro, therefore pioneering organic production for the local market. The store offers a wide range of fresh organic vegetables and fruits and some processed goods such as spices and dry fruits. Although initially there was no specific demand from consumers for the organic guarantee, SAT understood the potential to raise awareness and create interest in organic products not only among producers but also within the community through a specialised outlet. Currently, the products are also delivered to hotels and restaurants, as well as Dar es Salaam, where the demand for organic produce is higher.

16 Sustainable Agriculture Tanzania website - SAT vision. Consulted on 10.11.2022. Available online at: https://kilimo.org/vision-mission/

17 Katto-Andrighetto, Joelle (2013) "Participatory Guarantee Systems in East Africa. Case Studies from Kenya, Tanzania and Uganda." IFOAM - Organics International. Available online at: https://www.ifoam.bio/participatory-guarantee-systems-east-africa

The approach adopted to implement PGS therefore focused on qualifying the sustainable practices that the farmers training with SAT were adopting. The main practical elements referred to the implementation of terraces, important for the cultivation of mainly vegetables on mountain slopes, and the maintenance of biodiversity on the farms. Farmers were trained to implement the East African Organic Products Standard (EAOPS), having adopted a simplified version with local adaptation. As a general approach, each local group is organised around a general assembly of members, which is the main decision-making body. Three committees play different roles: training, conducting farm inspections and marketing the produce. A secretariat coordinates activities and the members regularly meet, in particular, to approve producers for certification after inspections. The decisions are then endorsed after an external inspection carried out by TOAM, which is responsible for managing the EAOPS and related EAOM as well as granting the certificate to PGS groups. This shows that a sort of ICS/group certification approach was already in place, with TOAM performing as the CB to certify the groups as operators. Produce is sold especially through the outlets managed by SAT and group members are allowed to sell their products individually making organic claims, but not using the EAOM, as this is only possible when they sell their produce as a group since the certificates are granted to the group, not to each member. Support for PGS implementation has been therefore embedded in the overall support offered by SAT to address the whole organic value chain. Record keeping for farmers and promoting a change of mindset towards understanding that organic certification was not only for the export market were the two main challenges in the beginning of their process to implement PGS.

The initiative has been very successful, responding to the increasing interest from producers with additional support for new groups. After a decade of implementation, there are now over 300 producers certified via PGS, who can sell their produce in the local and regional markets. In order to further improve the value chain and potential benefits for producers, SAT decided to create a social business: the SAT Holistic Group (Ltd.), with the goal of scale-up the approach and expanding the production of high-quality organic products. The company is separated from the non-profit Organisation but closely collabourates with SAT and the trained smallholder farmers who are PGS certified under the EOAPS. Every farmer who is contracted by the company has undergone a minimum of 60 hours of training by SAT, which is refreshed on an annual basis, is either organic certified or in transition, and is a member of a group or cooperative that also has the capacity to train new farmers or even groups who want to join them.

Therefore, for the domestic market, the social business continues to adopt the PGS approach where certified producers comply with the EAOPS and have access to the EAOM via TOAM. For export, instead, the company obtained certification in line with EU Regulation and USDA NOP Standard, working with Control Union as a third-party certification body. In 2022 the first group of 88 farmers and one storage and processing unit received the certificates issued by Control Union. These farmers are members of the cooperative of organic spice farmers called "CHAUWAVIMU AMCOS Ltd", which received support to develop and launch an Internal Control System (ICS) in 2021. The certified group now is able to export, through SAT Holistic Group, organic cardamom, cinnamon, ginger, turmeric and black pepper to the EU and the USA.

The choice to adopt group certification came from the assessment that individual organic certification would be too time-consuming, expensive, and administratively demanding for most smallholder farmers in rural areas along the slopes of the Uluguru Mountains. The set up and operation of an ICS was carried out in collaboration with the cooperative CHAUWAVIMU AMCOS Ltd, involving a series of training and backstopping to ensure that

farmers and all stakeholders involved in the spice value chain understood, followed and met the relevant organic standards, managed risks, organised and documented all required information. SAT Holistic group facilitated farm control and approval procedures, as well as proper management of buying, storage and handling of organic products. An important type of assistance provided refers to the issue of record keeping: producers received training on how to fill the farmers' record keeping books, with the adoption of a farmers' record-keeping template that promotes efficient traceability while also allowing producers to evaluate their production status to make informed decisions for improved quality and productivity.

Farmers are attracted to the ICS, and they are motivated to adopt the system in order to sell their products at premium prices paid in the international market. All producers are now involved in group certification and ICS were previously involved in the PGS initiative. In fact, it was only after successful PGS implementation that some producers were selected and qualified to be registered in ICS. Stakeholders consulted confirmed that the experience with PGS helped to go through the process to get certified with ICS for group certification, in the sense that PGS experience paved the way to a successful ICS certification. Farmers and facilitators were already familiar with organic quality control practices like the internal organic standards, sanction mechanisms, documentation, transportation, storage, processing, labelling and packaging procedures for organic products.

As the possibility to have double certification created the risk of confusion, increased logistic challenges and costs for the producers, and since there was a need to be more specific in who is doing what, the selected producers left the PGS to focus only on the ICS. Processes for monitoring and control for each kind of certification are different in many ways, which also justified the separation according to the local experts. One important difference is the set of organic standards adopted: the East African Organic Products Standard (EAOPS) is used by the farmers involved in PGS, while in ICS stakeholders must adhere, with various challenges, to the EU Organic Regulation, US-NOP and US-Canada Equivalence Agreement. In fact, the international standards are considered stricter compared to the regional standards since, for example, the conversion period in EAOPS is one year while for other standards it is of at least two or even three years. Also, additional documentation is needed for each process in the ICS, compared to the PGS, as well as frequent laboratory tests which are considered key determinants of organic integrity. PGS on the other hand are built through trust and regular interaction among members and producers have a major role to play in certification decisions. As a result, PGS are more controlled by the local community while ICS is controlled by external bodies and based on foreign practices.

The target markets for the two guarantee systems are also clearly different. The option to implement an ICS is related to the need to access export markets that specifically require third-party certification. But it does not mean that all producers can access it. As much as group certification can be more affordable than individual third-party certification, stakeholders consider PGS to be the most affordable guarantee systems for smallholders and the more inclusive in any case. Since it is necessary to achieve minimum volumes of production to justify participation in an ICS, producers with low production volumes are automatically excluded from group certification: the unit costs per farmer become higher than the sales, posing sustainability issues for an ICS operating with only a few very small-scale farmers. But PGS is an option even for those with very low volumes of production.

In terms of overlapping areas for the implementation of PGS initiatives and ICS, stakeholders referred that all stages in the formation and implementation of ICS were quite similar to PGS, except that additional procedures, documents and manpower were needed

for ICS. Internal visits are carried out in any case, no matter what approach. In PGS the internal inspections are peer reviews and can be done by group members. In ICS the visits are carried out by farmers trained as internal inspectors but who are members from other groups. A web application is currently being developed which shall support farmers in the process of conducting these inspections, so the stakeholders are currently assessing specific overlapping areas that could maximise synergies. The cooperative managing the implementation of ICS is structured in a way that is very similar to that of PGS groups (i.e., General Assembly and Committees). But while for the ICS strategic decisions are taken with the approval committees or the SAT Holistic Group, in PGS the decisions are carried out based on discussions between the PGS group's leadership and the PGS supervisory committee, which are all comprised of trained farmers and SAT facilitators.

Considering if and how PGS has supported the development of the ICS and vice versa, stakeholders indicated that PGS is considered by them to be the basic quality assurance system and the foundation for all other types of organic certification schemes. The main limitation of PGS in their perspective refers to the lack of access to markets in high-income countries (EU, USA, Canada, etc.). This can be addressed with the implementation of group certification and ICS and should be done with careful consideration of all the risks associated with a reliance on international markets for commodities, where competition and uncertainties are strong.

The approach adopted by SAT, therefore, is to always begin with a training on organic agriculture practices and facilitation so that farmers can access PGS certification. If farmers have products which are only for the local market, PGS is sufficient. Whenever there is good potential for export, in the sense that channels and markets can be assured, farmers can move to the ICS. The existence of SAT Holistic Group Ltd ensures consistency and support, as this Organisation can enter into contractual agreement with the Cooperative CHAU-WAVIMU AMCOS Ltd., which is implementing the ICS, and supervise the collection, packaging, storage and transportation of produce as well as set the export logistics on behalf of organic farmers, always in strong collaboration. The question of whether farmers would be able to maintain and would benefit from double certification is yet to be addressed as, currently, this is not implemented.

COOPFAM: ICS and PGS empowering women to grow and market a very special organic coffee

The Cooperative of Family Farmers of Poço Fundo and Region (Cooperativa dos Agricultores Familiares de Poço Fundo e Região Ltda - COOPFAM) started as an informal group of producers in the 1980s, driven by the Catholic Church, grouping smallholders who were producing mainly rice, beans, corn and tobacco. They gathered around common concerns about adopting sustainable agricultural practices, without specifically referring to organic standards, in search for direct marketing channels that could include options for fair trade, and for improvement of the quality of life of rural families in the hilly region of Minas Gerais. The first approach to formalising the group led to the founding of an association of smallholder producers, that became the first Organisation in Brazil ever to obtain Fairtrade certification in 1998, focusing on coffee.

This focus on coffee emerged as the producers became more aware of the potential to access better markets through export and saw the potential of obtaining premium prices for Fairtrade-certified coffee. Following this first certification, the association obtained third-party organic certification issued by the local certification body "Organic Agriculture Association" (AAO) and exported its first lot of organic coffee in 2001, through intermediaries managing the international trade. As the members of the association wanted to export at better conditions, they decided to form a cooperative, with full legal entity status, in 2003. Then, they managed to autonomously export their certified organic coffee for the first time in 2007. Since then, COOPFAM has been active in the international market for organic and Fairtrade Arabica coffee. Part of the production is processed and offered at the national market as well, but around 80% of the production is sent abroad, to the United States, United Kingdom, Australia, Japan, Italy, Sweden, Holland and Ireland.

The cooperative is currently certified as an organic operator by the Brazilian certification body IBD, and the approach adopted is that of group certification. COOPFAM takes care of all necessary procedures for the members that involved in group certification through ICS, offering support via different departments that address respectively: technical assistance for production practices, marketing and certification. With members distributed over 23 municipalities in the south of Minas Gerais, southeast of Brazil, the cooperative directly serves about 400 families. Stakeholders reported[18] that obtaining certification led to significant changes: before the first certification the coffee was only sold in the local market and with no premium price; the access to foreign markets they obtained through certification, first Fairtrade and then organic, stimulated an increase in production and, consequently, exports and income for the produces and for the cooperative as a whole. Since then, COOPFAM has also been investing in training and capacity building for its members and in numerous projects of an environmental and social nature, empowering members and strengthening the community.

Currently, 130 members of the cooperative are certified organic through group certification. Among them, 40 producers, mainly women, are also involved in PGS. Interest in PGS among cooperative members, is relatively recent, compared to the experience with third-party organic certification. The process to develop a PGS initiative started only, in 2012 when COOPFAM became a member of the newly created network of cooperatives

18 Maduro, E., Certificação Fair Trade no Brasil: o caso das cooperativas de café do sul de Minas Gerais, 2017. Available online: https://repositorio.ufsc.br/handle/123456789/174588

and producers' associations called "Orgânicos Sul de Minas" (OSM). This network emerged from coordinated efforts by various organic farmers' Organisations operational in the region of southern Minas Gerais, with support from a local agriculture research institute, the regional rural extension agent EMATER-MG and the Ministry of Agriculture (MAPA). These stakeholders came together to create a regional network focusing on agroecology, to build and exchange local knowledge and skills and to develop fair markets for organic food. Participatory Guarantee Systems (PGS), which had been included since 2003 in the legal framework for organic agriculture in Brazil as one of the options to verify conformity against national organic standards at the same level of third-party certification, were also an important topic for the network.

Members of COOPFAM were invited to various meetings and capacity-building activities, to discuss the feasibility of PGS implementation within the OSM network. In order to comply with the national organic regulations for PGS, a legal entity was formed that could operate as the participatory conformity verification body (Organismo Participativo de Avaliação da Conformidade - OPAC), essentially the unit responsible for managing PGS certification for the members of the network. This entity, called OPAC – OSM, received accreditation by the Ministry of Agriculture in December 2013, demonstrating to be fully able to provide PGS certification services to the producers involved in the initiative, and 2015 the first members of COOPFAM obtained their individual PGS certificates[19].

Efforts to implement PGS in addition to group certification were part of the activities carried out by a group of women who wanted to promote gender empowerment, financial independence and visibility of rural women within the cooperative. During the first years of PGS implementation, activities focused on promoting female participation in decision making, for example, advocating for women's rights to take part and vote on how to invest the premium received through Fairtrade certification. The women also saw the need to diversify production and extend organic certification to other crops specifically produced by women, such as roses, initially, then vegetables. As capacity building for PGS implementation advanced, many of the women involved took up organic coffee production areas under their responsibility and decided to develop an additional guarantee system[20] for high-quality organic coffee, produced and guaranteed by women: "COOPFAM Coffee – Feminine". These women are therefore now not only involved in organic and Fairtrade third-party group certification, though ICS, but also in PGS certification, used both for organic produce sold at the domestic market (in particular through public procurement) and for the additional, internally managed certification for "feminine" coffee, which is sold at foreign and national markets.

According to the stakeholders interviewed, interest in PGS was related, since the beginning

19 The Brazilian competent authority maintains an online database listing the organic operators registered in the country, indicating the approach adopted for certification, the legal entity managing the certification, the scope of production and corresponding area of the coutry where they are based. It is interesting to note that, as of 2022, COOPFAM is listed as a certified operator (but with no indication of the total number of producers involved in group certification) while that producers certifed through the PGS initiative that are members of COOPFAM are listed as individuals. Therefore, the scale of group certification as well as that of double certification, does not emerge from this official database. The database can be downloaded here:
https://www.gov.br/agricultura/pt-br/assuntos/sustentabilidade/organicos/arquivos-organicos/CNPO_MAPA_01_11_2022_I.xlsx

20 As explained by Maria Regina Mendes, PGS coordinator at COOPFAM: "They created this group to develop more focused coffee production and to work on a Women's Coffee logo. More women started to participate so the need for a guarantee system emerged and we carried out several training activities to give women a voice in farming. This is how we created the Women's Coffee certification. Annual visits are scheduled, and, with this, there is a lot of exchange of experience and knowledge because all women visit each other's fields".

the potential benefits going beyond the possibility to access new markets with different crops. The main benefit of PGS they mentioned is the opportunity they have had, and continue to access, to exchange experiences with other members of the cooperative and of the network OSM, which contributes to capacity building and strengthening of agroecological knowledge. At the same time, the role of the cooperative and the technical support for improved production practices, on one hand, and for all operations related to the ICS for group certification, on the other, have been essential in placing the special coffee blend produced by the women in markets that offer a significant premium price. The additional income obtained with this blend is distributed, for the benefit of the women but also of the cooperative as a whole.

Currently, there is no direct overlapping in terms of processes, staff members and documentation for the implementation of third-party and PGS certification. While the technical assistance and certification departments maintained by the cooperative assist producers, particularly with record keeping, to be prepared for the internal and external audits required by group certification, those who are involved in PGS count on one volunteering local coordinator, a producer herself, who is the sole responsible for organising the schedule of visits and maintaining the documentation to be submitted to the OPCA–OSM, with some support assistance from external supporting institutions. This support is delivered through the Organisation of annual gatherings and training for local PGS coordinators in the network OSM and the preparation of templates for all the paperwork required. In the process to build the PGS and obtaining their certification, producers experienced challenges precisely as they learned to maintain the paperwork and carry out the collective processes foreseen by the national legal framework. Although some producers left the PGS to focus only on the ICS for export precisely due to these challenges, many reported a feeling of empowerment as they became more aware and able to use the conformity verification tools in many cases adapted to their specific situations, such as the farm management plans and the checklists for peer reviews.

A strong commitment to sustainable agricultural practices, coupled with engagement for community development, female empowerment and support from external research and financial institutions promoting agroecology are the key factors contributing to the success of COOPFAM. Further development of the PGS initiative currently includes the participation in a pilot project for digital tools that will make it easier for producers to collect and manage their records. This project has been launched by the Brazilian Agricultural Research Corporation (Embrapa) following a general demand from the organic sector, in partnership with OPAC-OSM[21], to make it easier for producers to fill in the compulsory information required for PGS certification, which according to the researchers involved in the project, is a challenge that has kept many farmers from obtaining organic certification. The goal is to offer digital versions of the farm management plans (for plant production, animal production and processing), field notebook and checklists required by the national regulation, which will be filled out via mobile phone application or web version, with cloud

21 Organicos Sul de Minas (OSM) is considering different options to upscale the successful approach adopted by the women involved in PGS in COOPFAM to the whole network. As described by Letícia Osório, representative of Orgânicos Sul de Minas (OSM) the network has been through several stages of recognising and valuing the work done by the women farmers who participate in the PGS initiatives of OPAC-OSM, in order to identify and diagnose this work through documents such as the organic farm management plan. They also looked for ways to enable the participation of women in the decision-making and coordination spaces of the SPG. "We have been thinking about developing a logo or seal to identify women's production within the PGS process itself, to have this information on the various products that are grown by women in this region: coffee, honey, vegetables, fruits, processed foods, etc. We want to adapt our assessment mechanisms to generate data on where women are working, what they are producing and what volume of food they produce, thus making it possible to develop actions to value this work. The inclusion of such a logo indicating women's production in food labels can generate recognition of the work of these women by the consumers and general population as well," said Leticia.
Interview published online on: https://midianinja.org/news/o-exemplo-do-cafe-feminino-no-sul-de-minas-gerais/

storage. The mobile phone application will allow offline data submission as well. The platform will generate aggregated data dashboards, which will allow the PGS initiatives to have a clearer overview of the information contained in the documents, enabling better management of information for various purposes. A second pilot phase will be concluded in 2023, restricted to the partner entities and at zero financial cost to them. The resulting output will be an asset with a great possibility of expansion depending on future partnerships, especially as these documents are the same required in third-party certification.

Conclusion and recommendations

The case studies described in this report complement the theoretical framework presented in the first part, to illustrate situations in which group certification with ICS is used in combination with PGS, in mountainous areas. In both cases, it emerges that the challenges in maintaining two different guarantee systems, mainly related to the additional resources required for maintaining proper records and conducting verification procedures, appear to be outweighed by the benefits obtained with the possibility to access a variety of markets, with better conditions for smallholders and family farmers, as well as with the increased opportunities for capacity building and knowledge exchange.

As indicated by previous research, it emerges from one of the cases that the transition from PGS to third-party certification as a farmers' group member might be easier than obtaining third-party certification as an individual. On the other hand, joining PGS initiatives with previous experience in group certification creates the possibility to expand the scope of certification, addressing issues normally not considered by organic standards such as gender equality.

Stakeholders interested in tapping on the potential of different guarantee systems to improve the livelihoods of smallholders and family farmers and to contribute to sustainable food systems should pay attention to the development of organic skills and capacities among producers. Collabouration with locally based Organisations that can provide long-term, multipurpose support to groups of farmers (such as cooperatives) is essential to ensure sustainability.

In order to reduce potential challenges in implementation, in particular with reference to record keeping, PGS initiatives and third-party operators may agree on arrangements that enable coordination, by developing processes and tools for potential transition, depending on the markets addressed, that could include sharing paperwork or spot audits of the PGS by a third-party certifier, or the participation of peers at internal inspections by the ICS. In situations where a newly developed PGS initiative is already aiming at obtaining third-party certification at a later stage, it would be useful to involve a certification body representative already in the initial PGS design. At the same time, producers can always benefit from peer visits and exchanges, which are fundamental in PGS and could become part of capacity building and training activities required for group certification.

Specific recommendations for the Mountain Partnership Products (MPP) initiative

Many MPP members are already implementing PGS and could be interested in third-party certification, specifically group certification via ICS. During the discussions and preparation phase leading to this technical report, three of them were already initially identified:

- Last Forest/Keystone Foundation, in India
- Pan Himalayan Grassroots Development Foundation (PHGDF) supporting the Mahila Producers company, in India
- Organic World and Fair Future (OWF) in Nepal.

An individual assessment cannot be carried out in the framework of this technical report, but general recommendations and processes that could apply to all three of them (and potentially to all members of MPP) are presented below:

Internal general assessment

Conduct an assessment of general requirements for group certification to evaluate the potential for group certification among producers. Ideally, this assessment should be carried out with producers that have been involved in PGS for a few years, are familiar with organic agriculture practices and have already gone through conversion. This assessment should include the following questions:

1. Are the producers organised as a cooperative or farmers' association, established formally based on written agreements with the members?
2. Do producers have similar production systems?
3. Are producers in geographic proximity to each other?
4. Can producers be considered small holders/family farmers, i.e., they are managing areas that are not bigger than 5 Ha[22]?
5. Are producers able to keep their own farm records and to document their practices in general?
6. Are producers able to deliver good quality produce with regularity and in sufficient quantities for export for at least one crop?
7. Are producers able to cooperate for collective marketing?

Assessing value chain potential

Identify the potential value chains for which group certification would be feasible and the markets to access. It is important that the destination markets are clearly identified as early as possible to reduce the risks that the final produce does not meet the expectations of buyers and regulation requirements, as appropriate. Addressing potential buyers and exporters to discuss these requirements is one important step for a sustainable value chain.

Assessing certification, ICS implementation and further capacity-building gaps

Assess the capacity (human and financial resources) of the organised producers to establish and maintain an Internal Control System.

Contact the certification bodies operating in the country, which must be engaged in order to provide the third-party certification, in order to assess the best approach to combine the current PGS practices with the certification requirements set by the destination market. This includes discussing possibilities to combine procedures and tools, in order to reduce

22 The idea that group certification is meant to serve small holders is include in the IFOAM Norms, while the new EU regulation defines specific criteria for maximum size and turnover in order for eligible producers.

the impact of additional monitoring and record-keeping requirements, assessing costs and risks. The Organisation supporting the group of producers should be able to provide the training needed (with internal resources or funding the work of local trainers and resource persons) since organic certification bodies can only provide general information and are not permitted to provide detailed training on how to implement and manage ICSs.

According to the Organic Certifiers Directory, the certification bodies operating in India are currently 10 (3 of them are IFOAM Accredited) while in Nepal they are 7 (3 of them are IFOAM Accredited).

There are various publications and manuals available online that can be consulted and applied to support the various assessments. The "African Organic Agriculture Training Manual" developed by FiBL is one example, providing technical information and practical tools that can be directly applied, for instance, to discuss with producers about how to develop a marketing strategy and what are the necessary steps to succeed at exporting organic products, including details on how to get group certification. IFOAM - Organics International has also published training materials on ICS for producers' Organisations and inspectors and certification personnel. All materials are available online in English, French, and Spanish (Inspectors and Producers Manual).

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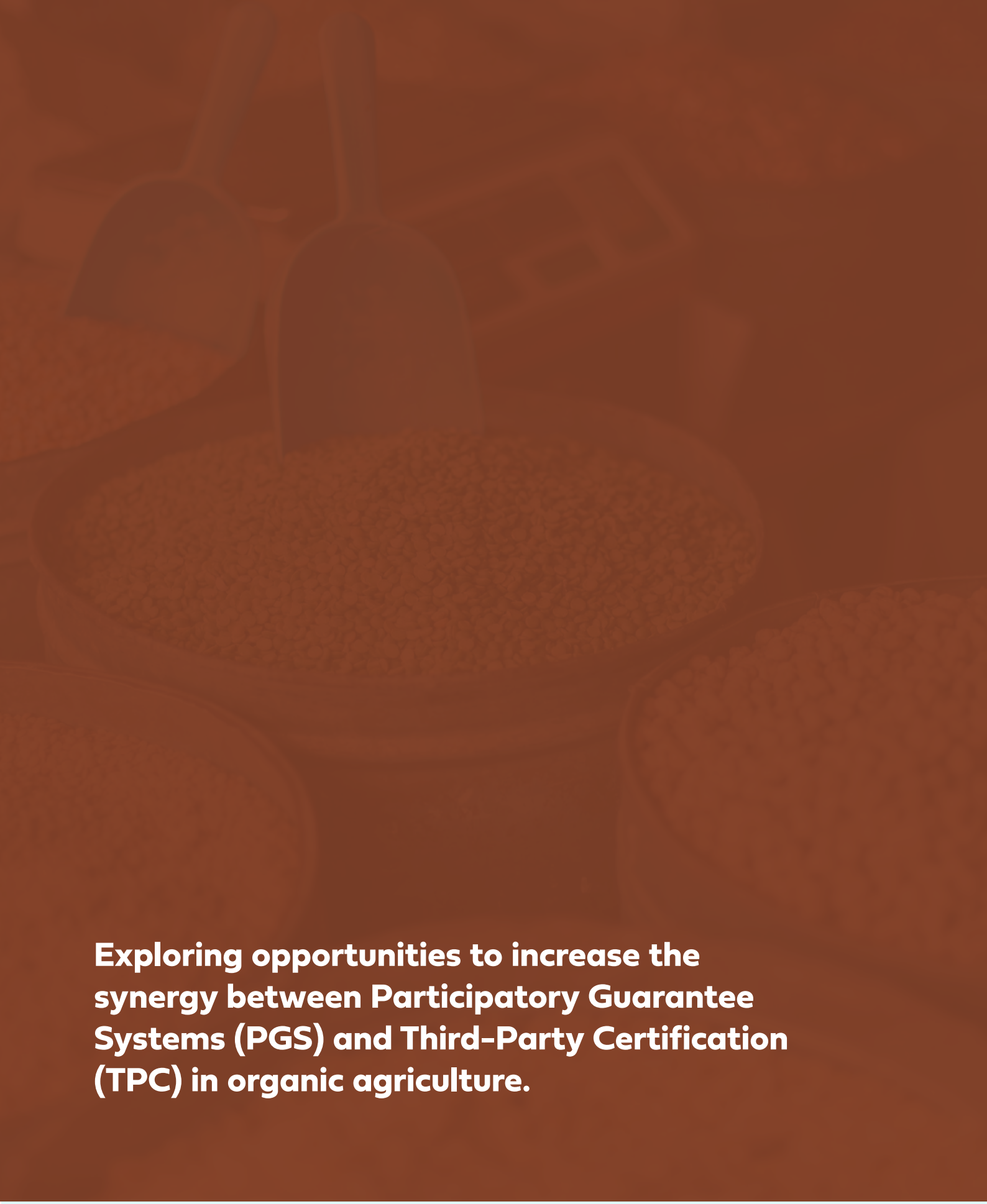

Exploring opportunities to increase the synergy between Participatory Guarantee Systems (PGS) and Third-Party Certification (TPC) in organic agriculture.

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