

LEADING CHANGE, ORGANICALLY.

IFOAM- Organics International Stands Firm on the Importance of Grower Group Certification Amidst Litigation Pratum v. USDA

By Karen Mapusua, President of IFOAM – Organics International

IFOAM – Organics International is extremely concerned about the litigation against the US Department of Agriculture (USDA) initiated by an organic farmer in the USA.

The lawsuit alleges that group certification of organic farmers is being used to cover up fraudulent practices and create an uneven playing field between organic American farmers who have an individual responsibility for certification and organic farmers organised in producer groups that are subject to <u>Internal Control Systems</u> (ICSs).

It questions whether USDA has the authority to delegate the responsibility of inspecting every farm every year and questions whether the new regulation provides for an adequate number of third-party inspections of producer group members to meet the intent of the organic legislation.

The litigation highlights **widespread misunderstanding** about the role and function of grower group certification, which we seek to clarify in the explainer below.

IFOAM - Organics International considers **group certification** a vital tool for ensuring millions of organic farmers around the world can access global markets whilst ensuring the robust integrity of the products produced. We understand that the USDA's new regulation for producer groups differs from both the recent <u>EU legislation</u> and <u>IFOAM Norms</u> for grower groups in a few ways, but still support the regulatory recognition of producer groups in the USDA rule [1].

Grower groups play a **key role in supporting organic farming and provide organic market access for millions of honest**, hard-working smallholder farmers that care for the land and provide ecological benefits. As a result, they should be considered a strong force for good in rapidly scaling climate and nature-friendly farming that mitigates and addresses the biggest crises of our times.

We also recognise the crucial importance of robust governance of ICS. The oversight process for grower groups is different to the process for individual farmers. An appropriate level of rigour must be maintained in both approaches.

IFOAM believes there is no place for fraud in the organic sector.



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The allegations made in the complaint **deserve a thorough investigation using the stringent processes** built into organic guarantee systems designed to detect and tackle fraud where it occurs. If fraud is uncovered, those perpetrating it should be dealt with to the full extent of the law to protect the integrity and reputation of organic agriculture worldwide.

The organic sector needs to **strike a balance** between a global guarantee system that respects diversity of farming contexts and market needs worldwide. We are proud of the pioneering work that the organic sector has achieved in this area so far. We caution any individual country or region against taking action that has severe consequences far beyond their shores, especially when the proposed remedy does not appear to tackle the root cause.

Now is the time for organic farmers world-wide to unite in a common cause.

For more information on grower group certification read the summary below and/or visit our dedicated page.

What is grower group certification?

Organic group certification is a recognised global practice used for decades, rooted in <u>IFOAM Norms</u> that have served as inspiration for national organic regulations and private organic and sustainability standards. Over <u>2.6 million organic small-scale farmers</u>, <u>organized into 5,900 groups across 58 countries</u>, are certified through this mechanism, supplying organic commodities such as coffee, cocoa, bananas, cotton, nuts, honey, and more.

This certification model is built on the principles of collaboration and mutual support among small-scale producers. By pooling resources, these producers share a collective responsibility to meet organic standards, ensure access to markets that might otherwise be challenging due to the small scale of their operations and the high costs of individual organic certification. Such an approach fosters community engagement, knowledge sharing, mutual trust, and control. Central to the success of group certification is the implementation of an Internal Control System (ICS), a well-documented set of procedures and checks established by the group to ensure each member complies with organic standards.

Properly structured, an ICS can provide an effective mechanism for oversight that contributing to the reliability and integrity of the certification process equivalent to inspecting and certifying individual producers. Internal ICS inspectors have the advantage of familiarity with the local conditions, farming systems and community culture. This knowledge helps to identify and mitigate risks of fraud doing.



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Grower groups are subject to third-party certification an ICS is not a substitute for outside verification. To the contrary, the ICS provides oversight beyond what most remote foreign certification body have the capacity to perform. A third-party inspector from an external control body audits the integrity of the entire system, which includes checking documentation, assessing the competencies of the ICS Staff, conducts selected joint or witness audits of a defined subset of members, and takes samples to test for residues of unauthorized substances in produced commodities, soil, green material, or equipment. Discrepancies between internal documentation and the findings of the audit can result in non-compliances sufficient for the decertification of the entire group. Grower groups are only as strong as their weakest link. Consequently, the entire group is motivated to mitigate these risks and to ensure the integrity of its internal controls. Grower groups can take immediate action against those who are egregiously non-compliant.

The enduring success of organic group certification underscores its crucial role in global organic farming. The synergy between internal and external auditing creates a robust mechanism that goes beyond compliance that actively mitigates risks and upholds the integrity of organic certifications. This resilient and cooperative foundation aims to defend against fraud and seeks to drive the integrity of the global organic movement toward a healthy, sustainable, and productive future.

