SMALLHOLDER GROUP CERTIFICATION

Training Curriculum for Producer Organizations

Compiled by
Florentine Lechleitner(IMO) & Chris May (Bioglobal)
This Training Manual was commissioned by IFOAM and funded through the program IFOAM – Growing Organic (I-GO) whose aim is to strengthen the organic agriculture movement in Developing Countries. Main donors of the I-GO program are HIVOS (the Netherlands) and the Biodiversity Fund of the Dutch Government. IMO (Switzerland), together with Bioglobal (New Zealand), was the contractor for the development of the ICS guidance manual and the development of a training curriculum for producer groups in setting up and harmonizing internal control systems.

May 2004
Revised in March 2007

Copyright by IFOAM ©

Reprints: Permission is granted to reproduce original parts or photos providing credit is given as follows “Reprinted with permission from IFOAM”

International Federation of Organic Agriculture Movements
IFOAM Head Office
Charles-de-Gaulle-Str.5
53113 Bonn
Germany
Tel: +49 228 92650 10
Fax: +49 228 92650 99
Email: HeadOffice@ifoam.org
www.ifoam.org

Compiled by:
IMO (Institute for Market Ecology) in cooperation with Bioglobal, New Zealand
Weststrasse 51
CH-8570 Weinfelden, Switzerland
Tel: +41-71-6260626
Fax: +41-71-6260625
Email: imo@imo.ch
www.imo.ch

Acknowledgements

IFOAM commissioned a group of experts under the coordination of IMO to revise the IFOAM producer manual and develop a training manual for producer groups in setting up and harmonizing internal control systems. The new guidance manual and this training curriculum are based on the results of the three IFOAM smallholder harmonization workshops (organized by AgroEco) as well as acknowledged basic documents in smallholder group certification, such as the Naturland/IMO Smallholder Manual (2001).

This manual was written by Florentine Lechleitner (IMO) and Chris May (Bioglobal). The training curriculum was tested in pilot trainings in Vietnam, India and Peru.

IFOAM would also like to thank the large number of people who participated in the harmonization process regarding smallholder group certification, especially the smallholder organizations that participated in the pilot trainings. You all have helped to make this process a very credible one. Thanks.

The opinions expressed in this document are those of the author(s) and do not necessarily reflect those of the International Federation of Organic Agriculture Movements (IFOAM).
Principles of Organic Agriculture

Preamble

These Principles are the roots from which organic agriculture grows and develops. They express the contribution that organic agriculture can make to the world, and a vision to improve all agriculture in a global context.

Agriculture is one of humankind’s most basic activities because all people need to nourish themselves daily. History, culture and community values are embedded in agriculture. The Principles apply to agriculture in the broadest sense, including the way people tend soils, water, plants and animals in order to produce, prepare and distribute food and other goods. They concern the way people interact with living landscapes, relate to one another and shape the legacy of future generations.

The Principles of Organic Agriculture serve to inspire the organic movement in its full diversity. They guide IFOAM’s development of positions, programs and standards. Furthermore, they are presented with a vision of their world-wide adoption.

Organic agriculture is based on:

- The principle of health
- The principle of ecology
- The principle of fairness
- The principle of care

Each principle is articulated through a statement followed by an explanation. The principles are to be used as a whole. They are composed as ethical principles to inspire action.

Principle of health

Organic Agriculture should sustain and enhance the health of soil, plant, animal, human and planet as one and indivisible.

This principle points out that the health of individuals and communities cannot be separated from the health of ecosystems - healthy soils produce healthy crops that foster the health of animals and people.

Health is the wholeness and integrity of living systems. It is not simply the absence of illness, but the maintenance of physical, mental, social and ecological well-being. Immunity, resilience and regeneration are key characteristics of health.

The role of organic agriculture, whether in farming, processing, distribution, or consumption, is to sustain and enhance the health of ecosystems and organisms from the smallest in the soil to human beings. In particular, organic agriculture is intended to produce high quality, nutritious food that contributes to preventive health care and well-being. In view of this it should avoid the use of fertilizers, pesticides, animal drugs and food additives that may have adverse health effects.

Principle of ecology

Organic Agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.

This principle roots organic agriculture within living ecological systems. It states that production is to be based on ecological processes, and recycling. Nourishment and well-being are achieved through the ecology of the specific production environment. For example, in the case of crops this is the living soil; for animals it is the farm ecosystem; for fish and marine organisms, the aquatic environment.

Organic farming, pastoral and wild harvest systems should fit the cycles and ecological balances in nature. These cycles are universal but their operation is site-specific. Organic management must be adapted to local conditions, ecology, culture and scale. Inputs should be reduced by reuse, recycling and efficient management of materials and energy in order to maintain and improve environmental quality and conserve resources.

Organic agriculture should attain ecological balance through the design of farming systems, establishment of habitats and maintenance of genetic and agricultural diversity. Those who produce, process, trade, or consume organic products should protect and benefit the common environment including landscapes, climate, habitats, biodiversity, air and water.
**Principle of fairness**

Organic Agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities.

Fairness is characterized by equity, respect, justice and stewardship of the shared world, both among people and in their relations to other living beings.

This principle emphasizes that those involved in organic agriculture should conduct human relationships in a manner that ensures fairness at all levels and to all parties – farmers, workers, processors, distributors, traders and consumers. Organic agriculture should provide everyone involved with a good quality of life, and contribute to food sovereignty and reduction of poverty. It aims to produce a sufficient supply of good quality food and other products.

This principle insists that animals should be provided with the conditions and opportunities of life that accord with their physiology, natural behavior and well-being.

Natural and environmental resources that are used for production and consumption should be managed in a way that is socially and ecologically just and should be held in trust for future generations. Fairness requires systems of production, distribution and trade that are open and equitable and account for real environmental and social costs.

**Principle of care**

Organic Agriculture should be managed in a precautionary and responsible manner to protect the health and well-being of current and future generations and the environment.

Organic agriculture is a living and dynamic system that responds to internal and external demands and conditions. Practitioners of organic agriculture can enhance efficiency and increase productivity, but this should not be at the risk of jeopardizing health and well-being. Consequently, new technologies need to be assessed and existing methods reviewed. Given the incomplete understanding of ecosystems and agriculture, care must be taken.

This principle states that precaution and responsibility are the key concerns in management, development and technology choices in organic agriculture. Science is necessary to ensure that organic agriculture is healthy, safe and ecologically sound. However, scientific knowledge alone is not sufficient. Practical experience, accumulated wisdom and traditional and indigenous knowledge offer valid solutions, tested by time. Organic agriculture should prevent significant risks by adopting appropriate technologies and rejecting unpredictable ones, such as genetic engineering. Decisions should reflect the values and needs of all who might be affected, through transparent and participatory processes.
How to use this training manual

This training manual is specifically geared towards smallholder farmers. Nevertheless, the content is also relevant to a wider audience. The information is useful to any individual or organization interested in developing and maintaining an ICS.

The training curriculum is a structured analogue to the IFOAM Training Manual for Organic Agriculture in the Tropics. Trainers are referred to this manual for further information how to organize effective trainings.

The ICS training curriculum consists of two parts:

1) **Slides** for each chapter of the IFOAM ICS Training Manual.

2) **Training Manual**:
   - The left side contains information that the trainer could present with the slides.
   - The right side of each page shows the corresponding slides plus discussions/working group exercises for illustration and better understanding of the content.

The complete manual and slides are divided into 14 separate WORD/POWERPOINT files (teaching units). In each WORD file, you can open the corresponding and complete POWERPOINT file by double-clicking the first slide on the right side.

The summary of how an ICS should be set up and additional sample documents for work group sessions can be found in the IFOAM ICS Guidance Manual for Producer Organizations and its annex. The chapters of this Guidance Manual correspond to the chapters in the Training Manual.

The complete training curriculum can be done in approx. 3-4 days, depending on how many exercises and discussions are included and the level of experience of the participants. Approximate times needed for presentation and the exercises are indicated in the table of contents.

The time needed for different chapters also depends on the participants. For new organizations that are receiving guidance to set up their own ICS, it may be appropriate to allow sufficient time to design their own documents, etc. Thus, the whole training may take longer or may be split in two parts with some time to develop a sample internal ICS manual to be discussed and finalized during the second training session.

For organizations that already have an ICS in place are using this training to update their knowledge of ICS and are fine-tuning their system with the harmonized IFOAM approach, more emphasis should be laid on risk identification at all levels and more time can be spent on optimizing existing systems. In this case, 3 days might be sufficient.

Wherever possible, trainers are advised to collect local examples of ICS documents for illustration and a basis for discussion.
<table>
<thead>
<tr>
<th>Chapter (Number of chapter corresponds to producer guidance manual)</th>
<th>Page</th>
<th>No. slides approx. time</th>
</tr>
</thead>
<tbody>
<tr>
<td>How to use the training manual</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>0 INTRODUCTION TO SMALLHOLDER CERTIFICATION</strong></td>
<td>1</td>
<td>9 slides approx. 0.75 h</td>
</tr>
<tr>
<td>Why is certification needed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is an ICS?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What does an ICS comprise?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conditions for smallholder group certification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Some terms for this Training Curriculum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The ICS Manual (chapter 1 of ICS Guidance Manual)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1. DISTRIBUTION AND UPDATE MANAGEMENT ICS MANUAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This part presented together with chapter 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>See also producer guidance manual</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. PROJECT ORGANIZATION</strong></td>
<td>6</td>
<td>11 slides approx.: 1.5-2 h</td>
</tr>
<tr>
<td>Initiative for organization of smallholder projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Options for project set-up</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optional: Advantages/disadvantages of different models</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optional: How to start an organic project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overview of farms, buying, &amp; processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization of the ICS (project coordination)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3. RISK MANAGEMENT</strong></td>
<td>13</td>
<td>5 slides approx.: 1.5 h</td>
</tr>
<tr>
<td>Example: Potential risks and what can be done</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuous risk management</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4. INTERNAL ORGANIC STANDARD</strong></td>
<td>17</td>
<td>9 slides approx: 1.5-2 h</td>
</tr>
<tr>
<td>Important organic standards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Why is an internal organic standard needed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The internal organic standard</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic requirements for organic production</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How is an internal standard developed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Background consideration: What is included in organic standards?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5. FARM CONTROL AND APPROVAL PROCEDURES</strong></td>
<td>26</td>
<td>6 slides approx. 1 h</td>
</tr>
<tr>
<td>5.1 Registration of New Farmers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registration procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment declaration (contract)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farm entrance form/ Basic farm data</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maps</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.2 Internal Inspections</td>
<td>32</td>
<td>13 slides approx. 2 – 2.5 h &amp; ½ day field inspection</td>
</tr>
<tr>
<td>Frequency and planning of internal inspections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How to organize inspections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is inspected?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Documentation and reporting process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summarizing the results for the farmer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspection techniques</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Critical control points</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.3 Yield Estimates</td>
<td>43</td>
<td>5 slides approx.: 0.5 h</td>
</tr>
<tr>
<td>Yield estimates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How can accurate yield estimates be achieved?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sources of information and cross-checking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Challenges in obtaining accurate estimates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.4 &amp; 5.5 Internal Approval and Sanctions</td>
<td>48</td>
<td>8 slides approx.: 1.5-2.5 h</td>
</tr>
<tr>
<td>The internal audit cycle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Who approves?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approval procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A problem is found – what should be done?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanction procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-compliances and their sanction</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5.6 ICS Documentation</strong></td>
<td>55</td>
<td>7 slides approx.: 1–3 h</td>
</tr>
<tr>
<td>Farmer’s documents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management of the documentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmers lists and approved farmers list</td>
<td></td>
<td></td>
</tr>
<tr>
<td>List of sanctioned farmers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chapter</td>
<td>Page</td>
<td>No. slides approx. time</td>
</tr>
<tr>
<td>---------</td>
<td>------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>6. ICS PERSONNEL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1 ICS Staff and Organizational Chart</td>
<td>61</td>
<td>15 slides approx. 1.5-2 h</td>
</tr>
<tr>
<td>6.2 The ICS Coordinator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.3 Internal Inspector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualification requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What an internal inspector needs to know</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.4 Approval Personnel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.5 Field Officers/Field Advisors and other positions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other positions in the ICS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.6 Conflicts of Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conflicts of interest consultancy vs. internal inspection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.7 Buying Personnel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff documentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(this chapter is covered under 8.5 in the producer guidance manual)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Why is training so important?</td>
<td>74</td>
<td>6 slides approx. 0.5-1 h</td>
</tr>
<tr>
<td>Training of ICS staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmers training – Building awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional tips: How to do good farmers trainings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. BUYING, HANDLING, PROCESSING &amp; EXPORT (proposed to present chapter 8 before chapter 6&amp;7)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.1 Selling &amp; Buying Procedures</td>
<td>79</td>
<td>21 slides approx. 3-4 h</td>
</tr>
<tr>
<td>Selling and buying systems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buying procedures and buying documentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buying staff and potential problems in the buying process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How to avoid mistakes during buying</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.2 Product Flow Control (Handling) &amp; Storage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overview of organic product flow systems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Handling of organic products at all stages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preparing product flow documents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storage of organic products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.3 Organic Processing and Export</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is considered processing?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Important aspects organic processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How can separation be guaranteed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.4 Organic Exports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. External inspection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steps towards certification</td>
<td>96</td>
<td>4 slides approx. 0.5-0.75 h</td>
</tr>
<tr>
<td>The external inspection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certification &amp; communication with certifier</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
0. Introduction to Smallholder Certification

The organic market is regulated by various organic standards and regulations; i.e., in most countries worldwide all production steps of a product that will be marketed as “organic” need to fulfill certain defined criteria for organic production. Compliance with these rules must be inspected and certified by an organic certification body.

Why is certification needed?

It is all about building trust. Certification has greatly helped to develop both consumers’ trust in organics and the organic market itself.

On the other hand, a majority of agriculture practitioners worldwide are smallholders and often are located in remote areas with long travel times from one place to another. Furthermore, the overall revenue from their agricultural production is usually far too small to cover the costs of a farm inspection by an external inspection body for each farmer.

For these reasons, for 15 years—long before government regulations—smallholders in Developing Countries in cooperation with certification bodies have been developing systems to assure compliance to organic standards for producers as a group. Different forms of quality assurance systems of smallholder groups have developed over time with respect to the nature and size of the operation, ranging from tens to thousands of individual producers.

Smallholder group certification implies that there is:

• A central body responsible for ensuring the group’s compliance to applicable standards. This can be a self-organized cooperative/farmers association or simply a buyer or processor who contracts farmers (“contract production”).
• One single certification for all individual production as well as processing and handling activities registered within the group. Individual operators within the group may not use the certification independently.
• There is an ICS in place (further explanation of what this means will follow).
What is an ICS?

The requirements regarding smallholder group certification and the Internal Control System have varied considerably over the past years. Therefore IFOAM started a harmonization process 3 years ago with several harmonization workshops and also initiated the revision of the IFOAM ICS Manual for Smallholder Groups and the elaboration of this training manual.

All explanations regarding ICS in this manual reflect the present consensus on this subject; however, certain details may still be considered differently by various certifiers or authorities.

IFOAM definition of an ICS (see slide)

This formal role of the ICS as an official “control body” implies that certain basic formalities for organic inspection need to be fulfilled, as organic standards describe not only how organic production needs to be done, but also how it can be controlled. These “inspection requirements” include a lot of issues, like documentation, inspection procedures etc., that ICS operators often overlook when they wish to set up an organic certification project.

Slide no. 3 demonstrates that in a smallholder group certification the organic certifier comes in only to evaluate the work of this internal inspection body. This is done by an overall assessment of the quality and efficiency of the internal control system and by re-inspection (sample inspection) of a couple of farmers.

Also it is important to note that a smallholder group certification covers only a defined number of farmers who have confirmed their commitment to be organic farmers in a certain organic project.

IFOAM Definition:
An Internal Control System (ICS) is a documented quality assurance system that allows the external certification body to delegate the annual inspection of individual group members to an identified body/unit within the certified operator.
What does an ICS comprise?

Having an ICS means that there is:

- Commitment on the part of the farmers.
- An internal inspection system: inspectors visit each farmer at least once a year to check whether he is complying with the organic production rules. Moreover, there is usually an advice system (field extension).
- Internal approval: the ICS determines whether the farmer can be approved or whether sanctions are necessary in case of noncompliances.
- The ICS keeps documentation on the farmers and on all internal control procedures.
- The ICS is usually in charge of ensuring the control of the product flow, i.e., that the organic products of the certified farmers are at all stages kept separate from uncertified (non-organic) produce.
Conditions for smallholder group certification

Background of the discussion over what conditions must be fulfilled for smallholder group certification:
In all harmonization discussions, the issue of which conditions must be fulfilled for smallholder group certification has been a point of long debate. In most developed countries, every organic farmer (including small-scale farmers) is independently inspected; as a result, Europeans tend to think that group certification is unfair compared with domestic requirements and that group certification cannot yield the same security as a "neutral" inspection of each farmer by an external certification body. It must also be ensured that large farms do not "profit" from cheap group certification, fail to keep their own documentation, etc. For these reasons various certifiers had different prerequisites for smallholder group certification, including a maximum acreage limit for each certified farmer. The conditions presented here are a summary of the most recent agreements reached in the IFOAM harmonization process.

IFOAM developed criteria for Group Certification and ICS under section 8.3 of “the IFOAM Accreditation Criteria for Bodies Certifying Organic Production and Processing”. The section on Group Certification is provided as background document to this training manual.

Prerequisites for group certification (see slide)
For more details on these discussion points, also see the document IFOAM Compilation of Results. In cases of doubt it is best to contact the certifier and ask specific questions.

Types of projects
As will be explained in more detail in the chapter on project organization, there are two common types of smallholder groups that are eligible for smallholder group certification:

a. A group of farmers (e.g., a cooperative) sets up an internal control system and also organizes joint buying and marketing of the organic produce from the farmers in the organic program. The group owns the organic certificate.

b. A processor or exporter contracts various small farmers to produce certain organic crops. The processor or exporter is the ICS operator and organizes all internal control procedures. This individual owns the organic certificate.
Some terms for this Training Curriculum

A couple of important terms are explained on the slide. These terms will be used throughout the training curriculum, so it is best to discuss them if they are not clear to the participants.

*Note: In some countries, depending on the background of participants, it may be advisable to introduce more terms in the beginning of the training.*

The ICS Manual

The internal ICS manual can either be a central document with an appendix of forms and detailed procedures (like the sample texts in the IFOAM ICS Guidance Manual) or else it can be considered to be the complete collection of written procedures and forms.

It is important that all relevant forms and procedures-defined in the ICS manual reflect the reality of the group and are practical in its application. Furthermore, the ICS manual must be available in adequate form for all concerned personnel.

Changes may be necessary and therefore the manual should be reviewed regularly. Reasons for such updates could include:

- Change of regulations for certification, such as additional organic standards.
- Failure of procedures to work well.
- Updated conditions from certifier, etc.

If there have been changes, it is obviously important to consider who should be informed of the changes (internal inspectors, buying personnel, approval committee members, or farmers, if the internal organic standard has changed).
2. Project Organization

Introduction
The initiative for starting organic smallholder projects may originate from different parties and for different reasons. Often, however, the implementation of an ICS takes place within the context of a wider initiative (project) that is aimed at providing farmers with an opportunity to improve their overall livelihoods. The ICS becomes a tool that is used by the ‘project’ to provide the structure and organization necessary for the farmers to be organically certified by an external agency.

Organic smallholder projects take on many forms and are funded in various ways. Each project set-up will have its particular advantages and constraints; therefore the best option for a new project should be thoroughly explored in the beginning.

When the ICS operator takes on the responsibility of implementing an ICS he/she needs to ensure that there is sufficient qualified personnel to implement and manage the ICS procedures. There are various options for the way the organizational structure can be arranged, but it must cover the staffing and internal procedures described in the ICS document.

The ICS operator should ensure that there is at least one staff member for each procedure or task in the ICS and that these staff members are aware of the responsibilities.

Overview of chapter structure

Initiatives for the organization of smallholder projects
Options for project set-up
Optional chapter: Advantages & disadvantages of different models
How to start an organic project
Project co-ordination

Lessons to be learned

The ICS is an important tool that can be used not just to provide a set of rules for compliance but also as a template for the way communities can be organized to work together to improve their livelihoods.

The ICS operator needs staff with a range of skills for both field and administrative duties.

The ICS operator has to decide what kind of project layout is most suitable.
Initiative for the organization of smallholder projects

There are many different ways in which a smallholder organic project can be organized.

The project initiative may arise from:
- A group of farmers who have identified opportunities to market an organic product
- A government or an NGO
- A company

The focus area might be:
- A location where the production is very close to organic and where there is potential for selling the product as organic in an export market.
- A location where organic agriculture is seen as a way of converting from conventional farming practices to more sustainable farming practices.

The motivation might be the prospect of better prices and new markets, for an organic product is an important factor for farmers, processors, and traders.

Funding for projects to help farmers convert and adapt to the requirements of organic certification and to market their products often comes through the aid budget of various countries or NGO’s. The initial responsibility for implementing the project usually rests with outside specialists.

Whichever scenario initiates the smallholder project, it is important to keep in mind the ‘organic’ principle of sustainability. Once the support has ended, the farmers should have ownership of their project and be better off than when they started the project.

To ensure the success of a project, organic production and market development should go hand in hand.
Options for project set-up

There are many different options for how an organic project can be organized and, ideally, the options should be evaluated before application for certification. Of course the project layout can also be changed later. The important factors are:

- Who is in charge of the ICS? An exporter? An NGO? A farmers association?
- Who has ownership of the goods along the chain of production until export?

The following options are the most common ones for smallholder organizations: (show basic types smallholder projects slide from chapter 0 again, included again in this presentation as slide N° 4).

If we go more into the detail we can basically distinguish 4 the following types of projects:

Option A: Cooperative or farmers association holds certificate and is ICS operator.
Three typical project layouts:

- Option A 3: Presently most common structure: the ICS operator is also the buyer and organizes the processing (sometimes with help of contract processor; remains owner of goods during processing) and markets the organic products him/herself.
- Option A 2: Processor buys the products directly from the farmer certified under an ICS (neither very common nor easy to organize)
- Option A 1: Organization collects (buys) the products and then sells them to a processor or exporter who deals with the marketing of the produce.

Option B: “Contract production”: exporter or processor contracts farmer to sell him/her organic produce; exporter or processor is ICS operator and organizes purchase, processing, sales. Can be either an NGO/non-profit operator or a commercial processor/exporter.

In all cases the certification can be paid by a third party (e.g., an importer in Europe), but this usually means that this party also owns the certificate, and the project can only sell products labeled as organic to this partner. This leads to a high level of dependence and is not recommended.
Optional: Advantages and disadvantages of different project models

If relevant to the participants (e.g., because the project set-up is not yet very clear), it might be interesting to discuss the different options in a bit more detail with the help of the slides. Alternatively the participants can come up with advantages and disadvantages of the different models themselves (work groups, 0,75 h time)

Depending on the actual project set-up (e.g., type of NGO, type of farmers association) the list of advantages or disadvantages may need substantial modification. Perhaps a certain NGO already has, e.g., good experience in marketing organic products; in this case, this would obviously be an advantage and not a disadvantage (but most NGO’s have no marketing experience when starting an organic project).

Obviously, there can always be a combination of project types, e.g., Option A1, i.e., farmers association or NGO-organized farmers sell directly after purchase to a partner processor/exporter.

For all project types an additional constraint in the beginning may be that they are not yet fully experienced in organic production methods.
Optional chapter: How to start an organic project

A successful project begins by bringing potential stakeholders together to develop a project concept, which, in turn, is developed into a structured plan. The development and implementation of an ICS will be part of the overall plan.

From the start, the plan should be presented to the farmers and other stakeholders. The responsibilities of each party must be clearly outlined and include funding, training, certification, farmer organization, and marketing.

Note: the term project often triggers an idea in farmers’ minds that they will be paid money for various farm activities; if the project does not involve this type of assistance, make this very clear from the beginning.

Make sure (in countries where it is necessary) that the proposal and plan have been agreed to by the government authorities, as it is unwise to start a project that might conflict with government extension activities.

From the beginning:
• Ensure there is sufficient funding support for the project.
• Ensure all key stakeholders take part in the awareness building workshops. Include the agencies that might be promoting non-organic products to farmers (these may be government extension agents).
• Ensure the farmers understand what they are committing to.
• Communicate to farmers in the farmers’ language either directly or through a translator.
• Ensure the ICS documentation developed by the ICS provider meets all of the certifier’s specific requirements.

If you use a translator, he/she may need some training in advance, as many organic terms often do not translate directly and should be talked through to ensure accurate translation.

The criteria for the selection of the external certifier should consider various factors, including market access (see chapter on external certification).

Planning
From the beginning:
• Ensure there is sufficient funding support for the project.
• Ensure all key stakeholders take part in the awareness building workshops. Include the agencies that might be promoting non-organic products to farmers (these may be government extension agents).
• Ensure that farmers understand what they are committing to.
• Communicate to farmers in the farmers’ language either directly or through a translator.
• Choose certifier and ensure the ICS documentation developed by the ICS operator meets all the certifier’s specific requirements.

Questions for participants
1. What has your project done to ensure farmers understand their responsibilities under an ICS? (Collect a list.)
2. Can you see gaps in your preparation of the farmers and other stakeholders?
3. How do you think these issues can be addressed?
Overview of farms, buying, and processing

As soon as the smallholder group has decided on a certain project layout and starts to implement it, the group should include a brief project overview in its new internal manual.

This should include an overview of project sites (e.g., different village clusters) and how they will be managed (e.g., all under one central ICS, or several regional ICS centers under one management). This is often presented in an organizational chart.

The manual usually includes an overview of the participating farms. It is important for the project manager as well as the certifier to have some idea of the following:

- How many farms are registered (at each site)?
- What is typical size of farms and how much of land is cultivated with organic cash crops?
- What size are the biggest farms and what size are the smallest?
- Are farmers changing land often (rotation on huge potential areas, leasing system) or always working on their own land, which may not be able to be increased easily?
- Do they all grow more or less the same crops (also intercrops), if not is it possible to group them? E.g., coffee farmers in village A typically grow tomatoes and pineapples as additional cash crops, whereas all farmers in village C concentrate on sisal and cooking bananas.
- What are the typical production methods of the registered farmers for both organic crops and typical intercrops: brief introduction of average production methods and potential production problems, such as diseases, problems in soil fertility, etc.

An overview of the buying and handling procedures shall also be given in the manual, once the project layout is clear.
Organization of the ICS (project coordination)

Once all the questions regarding project organization have been finalized and the project has started, the ICS operator needs to develop an organizational chart. This chart is important as it will provide a clear picture of the:

- ICS organizational units (office staff, field staff)
- Hierarchies (manager, field officer)
- Positions of organic staff (types of positions)

The organizational chart will later be part of the internal ICS Manual (minimum requirement, as described in chapter 6.1 of IFOAM Guidance Manual).

See also Annex of IFOAM guidance Manual for example of an organizational chart.

Group Discussion/Group work:
If participants are not very experienced with preparing organizational charts:

- Show local examples of charts and discuss the structure outlined.
- Ask them to prepare their own organizational chart. Possibly hand out a template organizational chart as a starting point.
- Discuss the charts and what could be improved in the structure/presentation (e.g., can factors such as organizational units, hierarchies, etc., be seen?)

How would they need to modify the chart to fit their own organization?
3. Risk Management

In all stages of the product flow and for all internal control procedures, it is important that the project is aware of potential risks (potential problems) that may jeopardize the organic integrity of the product.

Problems can be a result of:
- Lack of understanding/confusion (e.g., purchase officer mixing during purchase).
- Fraud (farmer using chemicals deliberately, purchase officer buying from uncertified farms to keep premium).
- Insufficient training and supervision (ICS may lack means, staff not trained).
- Mistakes.
- Neglect of certain factors.

At the beginning of an organic project, it is especially important that the ICS coordinator is aware of potential risks so that the ICS and all procedures can be designed accordingly. Therefore one initial risk assessment must be done by the organization and any major identified risks summarized in the ICS manual. Existing organizations that have not yet done a risk assessment should also prepare one. It is a very useful exercise to define the risks at each stage.

After a risk assessment, the relevant risks should be discussed and it should be ensured that the internal procedures are sufficient to prevent the potential risk from occurring in reality.

Usually there are certain risks at all levels of the product flow, from farm to export (see examples on slide).

It is important to remember that during a preliminary assessment of risks, all potential risks should be considered. For many risks, particularly experienced operators may say that most issues are no problem because they have already taken precautions. A risk assessment should be open enough to genuinely discuss all risks, and only then as a next step consider what may be done and what has already been done to prevent this particular problem from occurring. This exercise helps to also check whether the internal procedures are covering all important aspects, as well as why they are important.
Examples: Potential risks and what can be done about them

These two slides are examples of potential risks and what can be done to prevent them or to deal with the situation in case the problem has already occurred (corrective measures).

(present slides)

The proposed corrective measures are only examples of what could be done. Each project has to find out what is most suitable for its case; sometimes this is a combination of corrective measures, and sometimes one option may be sufficient.

Discussion of potential risks

When presenting the slides, first present only the risk and let participants come up with suggestions on how to prevent the risk.

3. Risk Management

Potential Risk: Farmers Selling Other Farmers’ Produce

Potential risk: Farmers their family members’ produce

Possible preventive and corrective measures:

- Also register all family members and neighbours.
- Have a good system of yield estimation; conduct last update just before buying; check strictly during purchase that estimated quantities not exceeded.
- Make farmers aware that this is strictly forbidden and may jeopardize the organic project. Support social control mechanisms.
- Buy only produce that was harvested in presence of field officers.

Potential Risk: Parallel Production

Potential risk: The organic pepper farmer also has some non-organic fields, e.g., a coconut plot. This plot is not known to ICS. Problem: some pepper is intercropped with the non-organic coconut. Thus the farmer will also sell this non-organic pepper together with his/her organic pepper to the ICS operator.

Possible preventive and corrective measures:

- Always check all fields and crops that a farmer manages (compulsory anyway)
- Option 1: Only register farmers who cultivate ALL crops organically
- Option 2: Any product that is grown both organically and non-organically is de-certified and cannot be sold as organic.
- Option 3: Farmers must convert non-organic plot to organic practices. Field officers must be present during purchase from organic plot to prevent commingling with conversion produce
Risk Assessment

It is a useful exercise to prepare a complete risk assessment. Risk considerations should be cover all steps of production and handling. The risk assessment also facilitates the understanding of how procedures need to be designed, what forms may be appropriate, what to focus on in internal inspections and internal supervision, etc.

Group Discussion (0.5 h)
Participants and trainer use the sample risk assessment in the Annex to the IFOAM ICS Guidance Manual. For participants from rather high-risk projects (e.g., medium-high risks crops, many problems in organic production, conventional farm units), it is proposed to choose the example of the banana cooperative; for very simple projects the coffee example may be more useful.

Go through the questions and discuss with participants what potential problems may be found in their case (only little discussion per question) Maybe they also come up with additional potential risks.

Group Work Risk Assessment (1.5h)
Form groups of 3-6 participants and hand out the neutral general Risk Assessment checklist in the Annex to the IFOAM ICS Guidance Manual. Each group chooses one project and prepares a complete risk assessment for this project. Groups should be encouraged to identify additional risks that are not mentioned on the checklist.

At the end, all medium-high risks should be evaluated and proposals made on how to prevent them (e.g., table with “Risk” and “What can be done to prevent risk”).

Present and discuss at least one sample risk assessment in class.

Note: in the chapter on product flow (Chapter 8), there is another exercise to go through all potential steps of the product flow and discuss potential risks at each stage. Depending on the experience of the participants, this may be a useful exercise to conduct already in this chapter.
Continuous risk management

Each project will have potential relevant risks that could threaten the organic quality of the product, even if the probability that the problem ever occurs is rather low (low risk). As mentioned before, it is recommended to first consider all relevant potential problems and only in the second step recheck that all necessary measures have already been taken to prevent the problem from occurring. Example: NO project has zero risk that farmers sell uncertified products, but the ICS can be very effective in preventing this from happening.

Even in an experienced organic project, it is highly recommended to update the risk assessment regularly, i.e., to consider whether any external factors have changed (e.g., government no longer promoting organic farming, free inputs suddenly available to farmers, etc.) or internal factors have changed (e.g., a lot of new untrained personnel), which would result in new risks to keep in mind in all ICS procedures. The project should at all times be aware of its critical control points.

Clearly any problems encountered during previous years should be considered and included in the risk assessment as potential risks.

Continuous Risk Management

• Risks exist in every organic project. Some may be particularly probable and dangerous (high risk), some less probable and/or less critical (low or medium level).

• It is important to be aware of potential risks, even if they may only occur rarely or if you think that you have already taken all necessary measures to prevent the problem.

• Risks may change over time. Regular risk assessment is therefore recommended.

• In all stages of an ICS, it is important that you are aware of your critical control points in order to adapt the system accordingly.
4. Internal Organic Standard

Introduction

There are many organic standards and most of them are written for farming conditions in western countries. An ICS operator must therefore have an internal organic standard that is applicable to the local situation and can be understood by all staff.

Note: In the Naturland/IMO ICS Manual, the term “Internal Regulation” was used. Basically the currently used “internal organic standard” refers only to the production rules, i.e., rules applicable to the farmer, whereas the buying procedures and rules (part of the “internal regulation”) are now included in chapters of the internal ICS manual. As mentioned previously, it does not matter WHERE certain procedures are given, in a document called “internal regulation” or elsewhere in the ICS manual, but it is important that there is an internal organic production standard (internal organic standard) and internal procedures and rules for all other important activities (admission of new farmers, buying, internal inspection, etc.).

Overview of chapter structure
1. Overview of important organic regulations
2. Organic production requirements in general
3. How to develop an internal organic standard
4. Tricky aspects in internal standards

Lessons to be learnt
- Different international organic standards
- Which aspects do organic standards usually comprise?
- How can we develop our own internal standard?
- What would be a good internal standard?
Important organic standards

There are regulatory organic standards that must be met in order to market a product as organic in a certain market (e.g., EU, USA, Japan). In addition, there are many private organic standards that have often existed long before the regulatory ones. The IFOAM Basic Standards are the basis for all organic standards. In general most organic standards are quite similar and deal with the same aspects. Still there are some crucial differences between standards and it may be important to be aware of the requirements if the ICS operator requests certification according to different standards.

EU-Regulation 2092/91
- Europe was the first market to protect the term organic (in 1991).
- Very long and detailed standard; difficult to read.
- Presently most important organic standard since EU is still a major organic import market.
- Certifiers must be EN45011/ISO 65 accredited.

USA: National Organic Program
- In most aspects less strict than EU Regulation, but stricter in some areas.
- Separate certification process, but usually done by same certifiers (must be USDA accredited).

Japanese JAS Organic Standard
- Established in 2002.
- Similar to EU Regulation; a lot of focus on formal (documented) internal quality management system (formal ICS).
- Only MAFF accredited certifiers.

For further details on content of different regulations, see IFOAM ICS Guidance Manual (annex).

Motivation exercise: Organic standards
Ask participants which organic standards they have already heard of.

Organic Regulations

Motivation exercise: National organic label scheme
Ask participants whether they know of any efforts in their own country to introduce official organic standards or labels.

More and more countries worldwide are now introducing their own organic standards.
There are also many private organic labels on the market. Consumers usually trust these organic labels more than just in the term “organic”.

Some of these labels also have standards that differ in some aspects from the organic regulations (they always meet or exceed the official regulations).

Some labels that are important for international smallholder producers:

**Biosuisse**: Very important for the Swiss market; full farm conversion (no conventional crops at all); additional requirements include sustainability, increased inspection requirements.

**Naturland**: IFOAM accredited; popular label in Europe & US; full farm conversion; additional requirements include sustainability.

**Demeter**: Label for biodynamic agriculture; known and popular worldwide. Several additional specific requirements for biodynamic farming.

**Motivation exercise**

Have participants already heard of other organic standards, e.g., Demeter, and do they know what these standards require? Are any private standards particularly important?

3.1 Internal Organic Standard
Why is an internal organic standard needed?

Theoretically an ICS operator can also choose to take an existing complete organic standard as its standard. However, this usually does not make a lot of sense, since the standards are very long (often more than 60 pages) and usually are written with regard to agricultural production in western countries. The standards are difficult to read and most aspects of the standard are not at all relevant for the situation of smallholder production of traditional crops.

Also, certain organizations request certification according to different standards, so they need to consider the relevant aspects of all standards in their internal standard.

The internal standard is then a document that can be readily understood by farmers (sometimes it may be better to summarize the internal standard for them) and the ICS staff. The internal standard is the basis for all internal inspection and will also be assessed by the certifier to determine whether all relevant aspects are included. Legally, the full official organic regulation is the binding document.

In fact, most projects have never read the full regulation text, but have a rather clear internal understanding what organic production means and what the farmers need to do. The Internal Organic standard is a complete written list of all aspects that the project expects the farmers to do. It can be used as a clear reference so that everybody (farmers, ICS staff, etc.) knows the "rules of the game". In most cases the internal organic standard exceeds the regulations because certain options (e.g., parallel production) are excluded since they are not manageable in local context.

Contracts & Internal Organic Standard

The most important crop production requirements (i.e., the crucial aspects of the internal standard) are often included in farmers’ contracts. Such summaries in the farmers’ contracts can be considered a first version of internal standard.

Another option may be to demand in the contract only that farmers comply with the internal standard and hand it out to them as separate document.
**The internal organic standard**

The minimum requirements for an internal organic standard are outlined in the ICS Guidance Manual and presented in Slide 4.

The standard shall:

- Define the production requirements by reviewing the standard requirements and interpreting them for the local situation. All relevant aspects must be covered (see next slide), but the requirements can be adapted to deal only with relevant issues. For example, in a country where no GMO seeds are available at all, it may not be necessary to stress this aspect in the internal organic standard. Or: if enough (organic) planting stock is available, no rules regarding the use of non-organic planting stock need to be included in the internal organic standard.
- Presented in adequate form: local language, language/style that can be understood by ICS staff.
- The farmers shall be informed of all requirements. If they cannot understand the full internal organic standard, a summary can be prepared. In illiterate areas, illustrations may help and oral explanation of the requirements is of major importance.

All topics relevant to the organic standard must also be addressed in the internal organic standard.

- Definition of production unit:
  - What is inspected and certified, i.e., all plots and crops under the management of the farmer, whether organic or not.
  - If the farmers also have non-organic plots, all additional requirements for this situation need to be defined (separation, parallel production prohibited, separation of storage, etc.)
- Production rules:
  - Fertilization & soil management with allowed inputs.
  - Plot protection with allowed inputs.
  - Seeds/planting stock.
  - Livestock production rules.
- Harvest and post-harvest measures: e.g., separation during drying on the farm, during storage, allowed packing material, etc.
- Conversion period & admittance of new farmers. The admittance procedures for new farmers are sometimes only included in a separate chapter of the organization’s ICS manual.
Basic requirements for organic production

The most important principles of organic farming are summarized on the transparency. These are, of course, also some of the requirements that will be included in the internal organic standard.

Obviously there are some differences between organic standards (e.g., which inputs are allowed, etc.), but they are all based on the same principles.

It is important to note that these principles usually refer to the whole organic farm unit, i.e., all crops and fields that a farmer cultivates, as well as his/her livestock—not only the crops that will be sold as organic.

A detailed overview of the requirements of different important organic standards (EU-Regulation, NOP Standard, and some private standards) is given in the Annex of the IFOAM ICS Manual.

Motivation exercise: What is organic farming?

What do the participants associate with organic farming? What IS organic farming?

Possibly have a flipchart prepared with the relevant chapters (see above) and write the participants’ inputs (key words) directly under the respective chapters/sections.

4. Internal Organic Standard

Principles of Organic Production to be included in internal organic standard

Sustainable Soil Management
- green manure
- cover crops, mulching
- compost (plant residues, livestock manure)
- restricted use mineral fertilisers
- no chemical fertiliser (e.g. no urea)

Plant Protection and Organic Seeds
- control of pests, diseases, weeds by appropriate cultivation measures, mechanical measures, protection natural enemies
- restricted use of organic pesticides
- no chemical pesticides
- organic seeds/planting stock; conventional material only under certain conditions
- no GMO

Animal husbandry
- animal friendly keeping
- organic fodder where possible, restricted medication
How is the internal organic standard developed?

Select the standard

- According to which standard do we want to be certified?
- Define the applicable standard in internal documents (scope of certification).
- Screen the most important requirements of the applicable standard (see Annex in IFOAM ICS manual).

Analysis of local situation

- Farming methods of farmers that are/will be registered (cash crops, home consumption crops).
- How is the organic product and typical intercrops/rotation crops produced? A lot of inputs used?
- How will the organic production of the smallholders be organized and supervised?

Develop internal organic standard

- What requirements of the organic regulation are most relevant for our project? (Remember that all relevant aspects still need to be explicitly regulated, even if not critical.)
- With what components do we want to be even stricter than the regulation?
- What do these rules mean for our production system? What rules must be defined to ensure that all farmers meet the organic requirements (e.g., not allowing any use of off farm inputs to ensure that they do not use wrong ones)? Also keep in mind that “positive management instructions” may be necessary (e.g., farmers shall build terraces and earth bundles to prevent erosion); that is, it is best not to include only forbidden items (“do not do this – do not do that”). These positive instructions can be quite detailed and adapted to the specific situation.
- Summarize the resulting production rules in simple words. It may be good to keep in mind that the internal organic standard is relevant for both farmers and ICS staff, so in some areas it might be best to also write tasks of ICS staff.

Example: Perhaps you wish to require that “farmers may only use inputs after approval by extensionist”. Here it may be good to either have an internal procedure in the ICS Manual detailing how such inputs are internally approved, or else you could simply write in the internal organic standard that the field extensionist receives a list of allowed inputs from ICS manager, who verifies with the certifier that the listed inputs really are okay.
Note: During discussion of the internal organic standard, a couple of issues might come up for which it is not immediately clear WHERE they need to be defined: in the ICS Manual, in the internal organic standard, or in the farmers contract, etc.

The distinction between different documents is not really important; what is important is that the requirements are defined SOMEWHERE, that they are known, and that they can be used as a reference for approval decisions.

Examples: The conversion period could be described in either the internal organic standard or in the chapter "Admittance of new farmers" in the ICS Manual.

Example: Internal regulation:
If participants already have an internal regulation to discuss, it is better to prepare this internal regulation (internal organic standard) as a slide (handout) and discuss this paper. Two more examples are included in IFOAM ICS Guidance Manual (appendix).

Otherwise this could be a starting point of discussion.

Example Internal Organic Standard: Spices in Agroforestry

- The whole farm is certified and the following rules apply to all crops and fields. i.e. it is not permitted to use artificial fertilizer or pesticide/herbicide on any part of the farm.
- If there is still a conventional field (only rice or tea allowed) owned by the farmer, this field has to be a clearly separate area (marked on the map) and may not rotate to organic areas. Also great care has to be taken to prevent drift of chemicals from conventional areas.
- The farmer is not allowed to use any off-farm inputs (fertilizers, insecticides, fungicides, herbicides, etc) except those for which he/she has been explicitly been granted permission by the internal inspector (who receives approved list from ICS manager). Naturally grown (botanical) fertilizers/pesticides can be used, but also need to be announced to the internal control before use. Use must be documented.
- The farmer is obliged to ensure soil fertility by appropriate cultivation measures (mulching, legumes cover crops, green manure etc.) and to minimize erosion.
- All seeds/seedlings used must originate from organic farms or else a confirmation has to be requested that they are neither genetically modified nor treated with pesticides.
- The farmer is not allowed to store any unallowed inputs on the farm.
- During the drying of pepper and cloves, great care must be taken to prevent any mixing with not-certified spices.
- For new farmers the last use of unallowed inputs is investigated. At least three years of conversion are necessary after the last application.

Group Work Session (1.5 h): Develop internal organic standard
Groups of 4-6 participants. In each group one participant is chosen to present his/her organization and production. With help from the summary of organic regulations (annex of IFOAM ICS Manual), the group tries to work out a draft of internal regulation (only key words; 0.75 h). At least one group presents the results and the participants discuss the proposal.

Alternatively, discuss an existing example of an organic standard of some of the participating organizations.
Background consideration: What is included in organic standards?

Note: this is a background chapter, primarily for more experienced participants, not necessary for groups who do not know anything about organic certification yet.

Apart from only requirements on how an organic crop must be produced, organic standards cover a lot of other information:

**Organic crop production and livestock production requirements**
- Current rules for crop production: conversion to organic farming, fertilization, crop protection, seeds, etc.
- These rules are interpreted for the local conditions (what is relevant for our project?) when preparing the internal organic standard.

**Organic livestock production rules**
- All organic standards also regulate livestock production.
- Since most smallholder projects do not require organic certification of livestock, the animal husbandry is not inspected strictly according to these very detailed livestock requirements, but rather as an important part of the overall organic farm.

**Labeling requirements**
- How can a final product be labeled to refer to its organic origin?
- Defines, e.g., how what percent of organic ingredients must be in final product, etc.
- Relevant only for export unit and usually not at all because no final consumer labeling.

**Inspection requirements**
- Frequency of inspection (at least once a year).
- All production and handling steps must be inspected and certified.
- Documentation of all activities.
- These aspects are all considered in the minimum requirements for smallholder organizations as presented in the IFOAM ICS Manual and this training manual.

**Import provisions**
- Some standards (EU regulation) define additional rules for import of organic products from outside the EU. Equivalent interpretation of standard is possible.
5. Farm Control and Approval Procedures

5.1 Registration of new farmers

Introduction

If new farmers are to be certified under an ICS they need to be formally registered by the ICS as organic farmers.

The registration procedures basically cover all issues that a farmer would have to comply within order to be certified as an individual farmer:
- Basic information and documentation on farm is prepared or checked.
- Obligations for the organic farmer must be clear and confirmed by both parties by signing a commitment declaration (contract).

The registration is an important process to ensure that the farmer is aware of his/her duties (and rights) as organic farmer.

Overview of chapter structure
1. Registration procedures
2. The Commitment Declaration declaration between farmers and ICS
3. Farm Entrance Form / Basic Farm Data
4. Farm maps

Lessons to be learnt
- What steps are necessary to register a farmer?
- What has to be written in a farmer’s contract?
- What kind of basic documentation needs be available for new farmers?
- What kinds of maps are necessary?

Motivation Exercise
Ask participants to give ideas about what they would do if they want to register a new farmer. What needs to be done?
Registration procedures

Registration procedures usually include, first, a preliminary farm visit by the internal inspector of field officer and, next, registration procedures in the ICS office (usually by ICS manager).

Farm visit
- Discussions with the farmer to explain his/her obligations as an organic farmer as well as the obligations of the ICS operator and/or buyer. These obligations are written in the contract.
- Visit fields and complete farm entrance form with all details on farm methods, areas, last application of prohibited inputs, etc.
- Draw maps.
- Sign contract (at least a commitment declaration, a formal contract including obligations in more detail can also be signed later).

Processing of information in ICS office
- ICS manager screens farm entrance form and decides whether farmer can be accepted
- ICS manager determines conversion status.
- ICS manager adds farmer’s details to the ICS farmer list (sometimes only done after full internal inspection), gives farmer a code number
- ICS manager adds farmer to village map

Note: usually the ICS operator will be expected to first do the formal registration of the farmer and then perform a full internal inspection later in the same year.

Motivation exercise
Ask participants to give ideas of what they would do if they want to register a new farmer. What needs to be done?

5.1 Registration of new farmers

Visit of farmer
- explain obligations
- visit fields
- farm entrance form
- map
- sign agreement

Screening of documents
- determine conversion status
- enter farmer in farmers list
- overview map
- sign agreement

ICS Manager at ICS office
The commitment declaration between farmer and ICS operator

Why is a commitment declaration needed?
A formal agreement between the certifier and the certified farmer is obligatory according to all organic standards. Since in an ICS project only the ICS operator has contract with the external certifier, the ICS operator has to have a contract with each farmer to ensure that:
- The farmer has confirmed his/her obligations in writing and is aware of what he needs to do to be an organic farmer.
- The formality of a signed written certification contract is fulfilled.

The commitment declaration can be the contract between ICS operator and farmer, but sometimes the commitment declaration is signed at an early stage and the formal contract (with more details on buyers’ responsibilities) only at a later time, e.g., at the end of conversion. For certification, the commitment declaration is the most important document.

Minimum requirements:
The commitment declaration (contract) must contain commitment to fulfill the internal standards. The consequences of violation of the contract must be clear (sanction policy). It must also grant permission for internal and external inspectors to inspect farms and farmer records for both announced and unannounced inspections. The contract must be available both in local language and the certifier’s language.

What else could be included in contract?
- Particular important obligations that need to be emphasized
  - Can only sell his/her own produce (not those of a relative or neighbor).
  - Must ask field officers for permission before using any off-farm input.
- Economic obligations of farmer, e.g.:
  - Cannot sell as organic to other buyers.
  - Must deliver certain product quality.
- Other obligations of the ICS operator and/or buyer, e.g.:
  - Shall provide free training seminars in addition to field extension.
  - Will provide free seedlings to the farmer.
- Price setting mechanisms, premium prices
- Termination of contract
  - Does it remain valid or is it renewed automatically?
  - When/How can the contract be terminated and by whom?
  - Is there a minimum time during which the contract cannot be cancelled without financial implications for the farmer?

Motivation Exercise: Why is a contract needed?
Why should an ICS operator have contracts with farmers? Is there a point in having written contracts if farmers cannot read and write?

Motivation exercise: What needs to be written in a contract?
Ask participants to give ideas of what they would write in the contract between the farmer and the ICS operator. If only a few ideas are given by the participants, give hints to help them discover the other important aspects that need to be covered.

What is written in a farmer’s agreement?

Minimum Requirements
- Details on organic standard
  - Rules for organic farming that farmer has to follow
- Sanction policy
  - What happens if standard is violated
- Grant access
  - Farmer must give permission to internal and external inspectors to inspect farm and documentation
- Contract in local language

Other obligations of farmer, e.g.:
- Can only sell his/her own produce
- Must not sell to other buyers as organic
- Product quality aspects

Other obligations of ICS operator, e.g.:
- Has to announce in advance how much will be bought in this season
- Provide free training
- Has to pay organic premium

How can the contract be cancelled?

Exercise: Discussion of sample contracts
Discuss sample contract (e.g., version in ICS Manual) or contracts that participants contribute from their own existing ICS in the classroom or in smaller working teams. Is anything crucial missing in the contract? What is described particularly well? How could the contract be improved?
Farm Entrance Form / Basic Farm Data

There has to be a certain basic document that records all the important facts about the registered farmer:

- Name, address, contact details, location of farm
- Total area
- Number of plots and their locations, size of the plots, crops per plot
- Cultivation methods (all organic, or also some conventional crops)
- Acreage under each crop or, e.g., number of plants/trees in intercropped systems

The way the farm details should be recorded very much depends on the crops and the overall documentation system (farmers list, internal farm checklist); all these documents are linked. It is best to first think what information you will want at a particular stage and to then create the questionnaires and modify them when needed.

Some questions could include whether all crops & acreage should be registered separately for each PLOT or for whole farm, and whether the trees should be counted or only the overall acreage taken.

The level of detail of documentation expected depends on the risk. If there is a very high risk that farmers will try to sell their neighbors’ crops, you will need very good harvest estimations and therefore also many cultivation details (e.g., number of orange trees with their respective age and approximate yielding capacity). If the registered farmers use different inputs, detailed registers will be expected.

Last application of prohibited inputs

Additionally there is usually something like a “field history” to be completed; for each plot it is indicated which inputs have been used in past 3 years. It is also helpful to register what crops have previously been grown on each plot and not just ask, “When did you last use chemicals?” If it is known which crop has been growing there, questions can be more precisely worded and will get better answers.

Example: You know that on one plot there has always been coffee and coffee is not commonly treated in the area. You ask farmer and he confirms that he not using anything in coffee. On the other plot farmer grew tomatoes and chillies 2 years ago when coffee was young, so you can ask the farmer what he uses for fungicide on his/her tomatoes. He perhaps comes up with “Diophene” or similar, and you know that the plot needs to be considered “conversion” only.
Maps

The very minimum for certification is an overview or village map, showing where each organic farm is located. It should enable the inspector to locate the farm. The maps should indicate villages, roads, tracks, trading centers, dwellings and other landmarks, etc. Where feasible it is recommended to prepare maps with help of GPS (global positioning system).

If the farmer is rotating annual organic cash crops or if the organic farmer also grows some conventional crops (e.g., for home consumption), an additional farm map is necessary. This map gives an overview of the fields and plots of the farmer. The map documents shows where the different crops are grown and can be used to record other important information (e.g., planting date of field). It shall clearly indicate conventional fields, if any, or in case there is any risk of drift.

If the project has many different village sites, an overall orientation map will also be necessary.

Tip: for farms with rotating crops it may be a good idea to have one basis farm map with only sketch of plots and copy this plot map several times. Then, each time an updated map is needed, the simple standard map can be used to indicate the current fields within the plots.

Farms of neighbors can be combined if the fields and crops can still be distinctly identified.

Good maps are difficult to prepare; staff will need training in it. Nobody will expect a perfect map, but you should be able to work with it and use it to illustrate important information. The map should be as accurate as possible (try to preserve scale! A 2 acre field should be double the size of a one acre field, etc.).
Exercise: Drawing a map

After the sample inspection at the farm, let different participants try to draw a map and compare their approaches. What is the most suitable way to illustrate the farm? What is important to show to give clear picture?

Discuss techniques to improve maps:

- Measuring the farm dimensions with number of steps and transferring this with a scale to paper dimensions.
- Preparing little paper pieces that are, e.g., 2 x 2 cm and represent an acre. Put the corresponding number of these little “acre” on a 1:50’000 map to indicate the farm location and approximate size; this helps to give an idea of dimensions.
- Mapping seminars with field officers.
5.2 Internal Inspections

Introduction
The internal inspection is a critical component of the ICS process.

The inspection of the farmers and the farms takes place at least one time per year and must inspect 100% of the producers who are involved in the ICS.

The inspection should be timed to occur at a critical moment in the production cycle when the risks of noncompliance with the standards are highest.

Overview of chapter structure
- Frequency & planning of internal inspections
- How to organize inspections
- What is inspected in an internal inspection
- Documentation and reporting process
- How to summarize results for the farmer
- Inspection techniques
- Critical control points

Discussion
Ask participants what they think the difference is between an extension (field advice) visit and an internal inspection? How often would they go for internal inspection?

Obviously both visits have a certain monitoring effect; even in an internal inspection the inspector might give some comments regarding cultivation methods etc.

Possible answers:
- Internal inspection is basically the substitute for an inspection by an outside external inspector. It is a formal and documented complete check of whole farm and all its activities by a neutral person.
- Internal inspection includes verification that the farmer is really complying with ALL aspects of the internal regulation. It must cover much more than the average extension visit, which will always focus on some details, special issues at the particular time of visit, etc.
Frequency and planning of internal inspections

100% of farmers in the organic program (that is, organic farmers, conversion farmers, “passive farmers”, etc.) must be inspected every year.

Normally this means once per calendar year, but if the harvest of the only organic cash crop is very early (e.g., in spring), it may be better to agree with the certifier on a different cycle for the internal inspection (according to cultivation cycle of that crop).

In projects with two or more harvests (e.g., vegetables), it may be more appropriate to have 2 inspection visits plus several field advice visits (which also have a certain monitoring function).

The inspection checks that all requirements of the internal organic standard are fulfilled. For this reason the production methods are checked, and all data available on each farmer is also crosschecked and verified.

The timing of the inspection is important

The inspections should take place at critical moments in the production period, usually around planting or harvesting, or at a time when there is a high risk to crops from pest or disease infestation.

At the same time, the inspection planner must ensure that all farmers in the organic program are inspected each year and that internal inspections are finalized before purchase. Depending on the ICS structure, some monitoring during critical moments is possibly done by field officers. (They need to be instructed to focus on these aspects during their visits.)

Group discussion: Inspection planning and critical control period

When would you plan your internal inspections? Any special schemes/rhythms? What would be critical periods when an internal inspection would be most relevant to find potential noncompliances?

Examples of critical control moments (farm level) include:
- Planting (particularly vegetables when base fertilizers can be used, or insecticides against ants in young coffee)
- Seed sowing (uncertified treated seeds)
- Irrigation or washing crops (dirty water)
- Harvest (co-mingling of product by the buyer)
- Harvest (farmer selling other people’s crops on his behalf)

It may also be a good idea to do some systematic inspection planning to cover several critical moments in the internal inspection year, for example, 10% of internal inspection during planting (at different project centers), 30% during monsoon (high incidence of fertilizer application), 60% 1-2 months before harvest plus 10-20% spot checks during harvesting.

Of course, depending on the problems occurring in one year, the inspection as well as field extension scheme for following year may need to be adapted accordingly.
How to organize inspections

To begin the inspection process the ICS coordinator will:

- Appoint and internal inspector.
- Provide the updated farmers checklist(s) with any instructions that may be relevant.
- Provide inspection with updated farm documentation (if any) and last year’s buying summaries.

The internal inspector will

- Review the documentation provided (held by farmers, field officers): check farm files from previous years.
- Arrange the inspection.
- Make sure he/she takes all necessary material with him.

Generally the inspector should arrange the inspection in advance so that the farmers can prepare for the visit. For small groups the inspector may be able to arrange the inspection visit directly with each farmer, but in most cases the inspector will work with group leaders or ICS staff (field officers) to ensure that all farmers are prepared for the inspection. On the other hand, coming unannounced for inspection should also be practiced from time to time so that farmers are aware that a visit can occur at any time.

In areas where communication links are poor, a pre-inspection visit to coordinate arrangements may be required. The arrangements may be made by the inspector or by an ICS staff member.

Note: The ability of group leaders and or ICS staff to organize the farmers for an inspection can be a useful measure of their ability to network with farmers in general.

Note: Remaining on-time during an inspection is an additional consideration (it could be inconvenient for farmers to wait all day for their visit). When there are unavoidable delays, send word ahead if possible. The key is to be flexible and sensitive to the farmers’ needs. This is all part of building up the farmers’ respect and confidence in their inspector.

Optional discussion: Potential problems in organizing an inspection

Ask the participants to list possible problems the inspector could face when organizing an inspection with their farmers.

Possible answers could include: No telephone link; roads poor and only navigable in dry season; farmers live in scattered hamlets 2 hours walk apart; farmers cannot read and write so need ICS staff field officer at inspection also; some ethnic minorities and inspector do not speak the dialect so need interpreter (field officer); farmers do not live on their farms and need to be organized to be on farm for inspection (in semi-wild harvesting they are often only on farms at harvest time); etc.
What is inspected?

The inspector must visit 100% of the farms and farmers, processing areas, and storage areas at least once per year. The inspection always has to include an interview with the farmer.

The farmers should be the person(s) responsible for the day-to-day management of the farm. In some circumstances a representative, who has been appointed by the farmer, may provide information on behalf of the farmer, particularly when the farmer cannot read or write. This information may be recorded in the field officer’s notebook.

The emphasis is on organic fields but care must be taken to also cover household production and fields where conventional crops may be grown. Focus in this case is on any issues that relate to possible parallel production (same crops on organic and conventional fields). If the non-organic fields (e.g., maize fields) are very far away from the organic fields and in such a different location that it is evident that the organic crops could not grow there (e.g., maize in low lands and coffee in high lands) and there is no risk of contamination of the organic fields whatsoever, these non-organic fields do not need to be systematically inspected, but they should be registered. → Check with your certifier for his exact requirements in this respect.

The inspector must review the farmer’s paperwork with particular attention to yields and farm inputs. It should be checked that information is complete (i.e., if farmer has used lime, you should find this information in the records) and, if necessary, the data is consolidated for the whole year (yield/year, all inputs with quantities/yr/ha).

The extent to which farm documents can be If the farmers use substantial quantities of external inputs, it will usually be required to have some kind of continuous register of use (either updated regularly by the farmer or during field extension visits), which can be checked during inspection. Consolidated figures can be prepared by field extensionist; if not, it is proposed that the internal inspector calculate the total applied quantities on each farm so that this information is available in documentation in ICS office. If the farmer uses no inputs at all, the documentation on farm level will be much less relevant and consolidating does not take any time because nothing was used; information may be based more on oral information in such a scenario.

Also all information in the farm file shall be carefully checked: has the farmer still the same 2 plots of land only? Is 2.5 ac the correct land size? Any new land leased in or out? He/she says he/she has harvested 800 kg Pepper last year, is this realistic with only 50 pepper plants as indicated in the farm entrance form?

Discussion: What is 100% inspection?
Ask the participants to discuss what is meant by 100%?

Example answer: Every farmer must be met with and every organic farm visited by the inspector; the inspector should visit every field or may choose just some fields depending on the complexity of the situation (simple inspections of semi-wild coffee versus intensive vegetable production).
This is an example of what would be checked in an internal inspection of a coffee project where farmers have also conventional maize fields.

**Example Internal Inspection**

**Internal Inspection of organic coffee farmer in Tanzania (farmer present during whole inspection)**

- Check organic fields with coffee & banana around farmers house, incl. all borders to check drift
- Farmers diary
- Notes field officer
- Last years buying list
- Coffee storage
- Input & tools storage (incl. Sprayer)
- Organic village coffee nursery
- Visit of Conventional maize fields (5 min walk from house)
- Depulping machine and
- Cows (zero grazing)
- chicken (free roaming)
- Water contamination by depulping?
- Waste in the fields?
- Visit of Conventional maize fields (5 min walk from house)
- Organic village coffee nursery
- Farmers diary
- Notes field officer
- Last years buying list
- Coffee storage
- Input & tools storage (incl. Sprayer)
- Organic village coffee nursery
- Water contamination by depulping?
- Waste in the fields?

**Practical training: Training inspection(s)**

When planning a training for ICS personnel (including internal inspectors), it will be important to include a half day to a day of field exercise. About 1.5 hours should be planned for each inspection.

It may be best that the group first accompanies an experienced internal inspector during his/her inspection, including filling in the inspection checklist. It may be a good idea to prepare this inspection well, e.g., by also having a field officer preparing some documentation (including a map) on the farmer before the training inspection.

The second or third inspection could be done in small teams of 2-3 inspectors together and the groups could report their results, problems they faced, etc., later in a workshop session following the training inspections.
Documentation and reporting process

The results of the internal inspection have to be documented in the internal farm inspection checklist. The farm inspection checklist is signed by the inspector and acknowledged by the farmer (sign or mark checklist with fingerprint).

The inspection checklist should cover all aspects of the internal organic standard explicitly and should give a clear assessment of the situation (e.g., erosion control: good – acceptable – must be improved)

The more detailed the checklist and the better adapted to the local situation, the easier it is to ensure that all internal inspectors really check all relevant aspects. A checklist is also (to some extend) a guide for the inspector.

On the other hand, the style must be well-adapted to the inspectors; they must be able to use it properly and must understand the questions, assessment criteria, etc. Some additional explanation may possibly be needed.

Here, the more complex the farmer’s production is (conventional units, high risk crops, inputs, drift problems, etc.), the more detailed the internal checklist will be expected to be.

If there is a problem, it needs to be described in detail (some operators provide special report formats for reporting severe nonconformities) so there should be space for comments somewhere.

The checklist should include an overall assessment of the compliance of the farmer, plus possible conditions (corrective measures).

Note: Checklists sometimes also contain quite a lot of farm data. Yield estimates must be included. Other farm data (consolidated inputs, etc.) may be very useful to include. More information (e.g., number of trees) may not actually be very helpful to include over and over again in each internal inspection; updating of information is not the major aim of the internal checklist. This information could alternatively be included on other forms (e.g., update questionnaires). Again it is up to the operator to decide, but do not forget to do some checking instead of data collection only.

**Group discussion: Different internal inspection checklists**

Two examples of internal checklists are given in the Annex to the IFOAM ICS Guidance Manual, but even better would be that it participants bring their own checklists. Go through the checklists (group work or whole class) and discuss what you like about the formats, what could be useful to include or what you find too difficult/complicated/irrelevant/insufficient, etc.

**Sample inspection: Reporting**

After the sample inspection has been done as a group, let the different inspectors fill in their checklists individually. Then discuss question by question what everybody has filled in and why. You will find that different persons will assess the same situation differently. To some extent this will always be the case, but it is important to develop some common understanding what is meant if an inspector, e.g., writes “good soil management”.

5.2 Internal Inspections

IFOAM Training Manual on Setting Up and Harmonising ICS

37
Summarizing the results for the farmer

At the end of inspection the results of the inspection are summarized for the farmer. He/she is informed if everything was found okay or if there were small noncompliances that should be corrected. In this case the corrective measures are discussed. The inspector can possibly also give recommendations about issues that are not directly violating the internal standards but are still not done very well.

If there are major noncompliances these should be firmly discussed with the farmer and the farmer group leader and/or ICS staff who are on sight at the time. This discussion should reinforce the collective responsibility that each farmer has to his organic group as well as clearly map out the consequences of serious noncompliance. In cases of minor noncompliance the inspector has the opportunity to encourage the farmer to provide solutions to the noncompliance issue.

In cases of serious noncompliance the inspector must report immediately to the ICS organic manager who will follow through with the internal sanction procedures.

Addressing Noncompliances

Techniques for addressing noncompliance with farmers

- Show the farmer the problem – in documents or on the farm.
- Show the farmer the standards and ask him or her to explain what the standard says about their specific non-compliance.
- Show the farmer the ICS sanction options and describe where the farmer’s noncompliance fits with these options.
- Outline what the next step is in the sanction process and when the farmer will be instructed on the outcome.
- If possible involve other farm group members in the discussions, as they too may be impacted.
**Inspection techniques**

**Steps in an inspection**
The inspector should direct the farmer to what he/she or she wants to inspect. There are two components of the inspection. The inspector must establish that there is no visual evidence of noncompliance (look at farm and inspect records) and also gain an idea of what the farmer understands about his/her organic responsibilities.

The inspection should cover:
- A check of the critical control points and farmer’s paperwork. Check inputs schedule and yield statistics and discuss and record possible changes to the yield estimates.
- Check farm buildings, waterways, rubbish heaps, over the fence at the neighbor’s and anywhere that might give tell-tale signs of noncompliant farming activities.

To develop an understanding of what the farmer understands about organics, the inspector should question the farmer about his/her ideas about how to apply the standards.

**How to really uncover the critical issues**
While the inspection is done on a farm-by-farm basis when the farmers are part of a farmer group, other farmers could be encouraged to be on-farm for each other’s inspections. This enables the inspector to assess the collective opinions as well as reinforce the collective responsibilities that each group member has to the others. When they are neighbors, having both parties together is an effective way of verifying boundaries between farms.

Other backup procedures to gather information can include:
- Inquiries at the local stores that sell pesticides and fertilizers. This information can provide a useful indicator of what products are sold and how much is used in the district. In some areas the store is required to keep a list of the names of people who purchase pesticides and fertilizers. This could be evidence that the organic farmers are not buying pesticides (at least from a local source).
- Interviewing neighbors.
- Inquiries with government extension agents, which can also provide useful information on pesticide and fertilizer use.

---

**Summary of the Steps in an Inspection**

(Order of steps can vary)
- At first introduction describe the inspection process; show the farmer the checklist and other docs.
- Possibly check ID card and farmer’s contract.
- Ask the farmer for his/her copy of internal organic standards (if they have one) or show yours. Find out how familiar he/she is with the requirements.
- Inspect the farm fields and the nursery (also field borders to check risk of drift). Check for potential signs of prohibited inputs, check for diseases/pests and ask their treatment methods, check for overall compliance with all requirements of the internal organic standard.
- Inspect the processing area, storage rooms (tools, inputs, final products).
- Screen farm documents, cross check with ICS documents, etc.
- Summarize inspection results with farmer; outline possible problems and related follow-up requirements or sanctions. Also improvement advice can be given.
- Sign checklist (farmer and inspector).

---

**Tips for an Effective Internal Inspection**
- Do not ask yes/no questions
- Know about the pest & diseases that may threaten the export crop and what people in the region commonly use for treatment (e.g. recommended by government extension agents)
- Learn how to identify traces of pesticides, fertilizers etc.
- Have fellow farmers participate in the inspection.
- Talk to immediate neighbors and/or farmers in neighborhood.
- Also talk to the wife or farm workers.
- Have a look around on the farm, look into stores, garbage heaps.
- Know about governmental agrochemical promotion programmes.
- Possibly visit inputs stores in the area.

---

You are not a policeman or detective - but you need to be thorough and investigate properly - in a friendly way.
“Style of the inspection”
It is important that the inspector find the “right tone”. He/she is not a policeman or detective, but nevertheless he/she needs to be thorough and must try to understand what is really happening on the farm (not only what he/she is being told).

The need to be very investigative or not also depends strongly on the risk situation. If the cultivated crop is really difficult to cultivate organically, all neighbors are conventional and the farmer receives a huge premium for the organic product, it may be important to really crosscheck the farmer’s situation. In other cases (semi wild – very traditional farming), the inspector still needs to check all aspects but perhaps only limited crosschecking is necessary for the single farmer.

The inspector should also practice asking the questions in way conducive to finding out the actual situation. In most places questions that can be answered with yes or no will not really work well.

Example: every organic farmer will answer the question “have you used any chemicals in the last 3 years on your farm?” with no. But maybe you will find out more by asking what crops he/she grew the past years on the different plots and what diseases they had and what he/she did about it. Or how he/she controlled his weeds so nicely that only 2 types of weeds are growing in the fields. Obviously it helps if you are familiar with the regional farming habits and critical times and crops.

Discussion: Inspection techniques
What are the advantages and disadvantages of having farmer group members present at each other’s inspections?

Positive: Peer pressure to conform; inspector can check boundaries with different neighbors at the same time; improve knowledge of the organic inspection process; group already assembled so speeds up the inspection; builds collective responsibility.

Negative: some farmers reluctant to share their yield data; neighbors might not like each other and farmer might be more conservative when peers are around. Farmers are familiar with question techniques and may prepare their answers better, remove bags of inputs before the inspection, etc. Poorer farmers are sometimes reluctant to have ‘better-off farmers see how poor they are.

What problems may prevent the inspector to have to perform a good inspection? Any good ways to overcome this?
Sample discussion points
- Young inspector questioning an older, respected farmer too thoroughly. (Solution: have older and younger inspectors.)
- Storage is in the bedroom, inspector cannot ask for access. (Solution: explain the requirements and still ask for access; at least spot-check.)
- Farmer does not want to give any information about sales/yield or about his nonorganic activities.

Discussion: How to find out how experienced the farmer is
Ask participants how they would find out how much a farmer knows about organic production.

- Check status of his fields: mulching, composting, proper pruning, nice intercropping, no disease problems, good yields, etc.
- What did you think about the new compost making techniques?
- Which predator insects have you seen on the ‘tea crop’ this week?
- When do you plan to sow the green crop/ground cover?
Critical control points

Critical control points are those areas on the farm or processing area where there is

- The most risk of noncompliance on farm.
- The most risk of contamination from off-farm.

These risks vary according to the types of farming being practiced and the farming practices of neighboring farms.

It is worth being aware of the most critical points before the inspection in order to focus specifically on these aspects during the inspection.

(Exercise: Critical Control Points)

**Examples Critical Control Points (1)**

<table>
<thead>
<tr>
<th>Organic Fields</th>
<th>Conventional (home consumption fields)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Plant protection agents, fertilizer and herbicide use.</td>
<td>• The same spraying equipment used for organic and conventional crops (e.g. hand pump)?</td>
</tr>
<tr>
<td>• Proper soil management? Signs of Erosion?</td>
<td>• Inputs not stored with inputs for organic farm?</td>
</tr>
<tr>
<td>• Conventional intercrops? e.g. conv. maize in young coffee</td>
<td>• No cultivation of organic crops also on the conventional fields?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Borders/Buffer zones</th>
<th>Seed sowing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Contamination from neighbors?</td>
<td>• chemically treated seeds?</td>
</tr>
<tr>
<td>• Contamination from own home consumption fields?</td>
<td>• GMO seeds (risk crops e.g. soya, maize, cotton)?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Irrigation or washing crops</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Dirty water?</td>
<td>• Contaminated water e.g. water from conventional rice fields running into organic fields</td>
</tr>
</tbody>
</table>

**Examples Critical Control Points (2)**

<table>
<thead>
<tr>
<th>Livestock</th>
<th>Farmers documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(not always regulated in organic standard)</td>
<td>• Yields: reasonable estimate?</td>
</tr>
<tr>
<td>check livestock keeping whether adapted and animal friendly, no factory farming</td>
<td>• Inputs: external input use has been documented?</td>
</tr>
<tr>
<td></td>
<td>• maps more or less reflecting reality?</td>
</tr>
<tr>
<td></td>
<td>• Registered areas reasonable/realistic</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Harvest</th>
<th>Storage and processing areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Co-mingling of product by the buying officer?</td>
<td>• Processing areas clean and separate?</td>
</tr>
<tr>
<td>• Farmer selling other peoples products on their behalf? (check quantities)</td>
<td>• Co-mingling, e.g. drying products together with uncertified neighbor: village processing facilities</td>
</tr>
<tr>
<td></td>
<td>• Contamination: e.g. organic produce stored in room with storage control chemicals, contamination during drying etc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transportation to processing plant Processing</th>
<th>Sacks and containers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Co-mingling or contamination</td>
<td>• Dirty or noncompliant</td>
</tr>
</tbody>
</table>

5.2 Internal Inspections

*IFOAM* Training Manual on Setting Up and Harmonising ICS Control Systems
Discussion: Critical control points

Show participants the following examples of critical control points. Possibly this will start some discussion/clarification on a couple of critical issues in which participants might wish to understand the requirements better. Be prepared for this kind of question. Other points of discussion could be questions like, “How do you find out about this in the field?” “Which control points are most critical in your own project?” etc.
5.3 Yield estimates

Introduction
Accurate yield estimates are used to reconcile the expected production of each farmer with actual yields. They are used to verify that the product sold by each farmer is produced only on his or her farm.

Yield is the total production from a field or farm for each product produced.

Overview of chapter structure
Why are yield estimates important?
Where are they recorded?
Who is responsible?
How can accurate estimates be achieved?

Lessons to be learnt
Accurate yield estimates are important because they provide proof that the farmer is selling product only from his or her farm.

Farmers are often poor record keepers and to meet the requirements of an ICS they will need training in why they should keep records and how to keep records.

Uniformity and consistency in record keeping methods makes it easier for the ICS operator to compare each farmer’s yield data.

Yield estimates should be checked using different techniques to cross-reference the data supplied by the farmer.
Yield Estimates

Why are yield estimates important?
Yield estimates are used to confirm that a farmer is selling only certified product that is produced on his or her farm and is not selling produce that is non-certified. The yield estimates are used as basis for buying.

How are estimates prepared, approved, and used in ICS procedures?

- Yield data is collected by the field officer and/or the farmer (based on last year’s harvest and other considerations) and usually recorded on the farm registration form or annual update form.
- The yield estimates are checked again in course of the internal inspection and recorded in internal farm checklist: are they reasonable? Have there been any changes since the estimation, e.g., drought problems? Are they more or less than the quantities sold last year; if so, why?
- In a very simple production situation these 2 steps can be combined into one: only the internal inspector collects yield estimates in course of annual internal inspection.
- The estimates are then approved by approval manager and recorded in farmers lists.
- Some projects choose to have one last check of yield estimates JUST before harvest (no complete inspection) and use this data plus data from the updated farmers list (sanctioned farmers out) for preparing specific buying lists (see example in Annex to the IFOAM ICS Guidance Manual: farmer’s name/code and yield estimate is pre-printed by the ICS Manager)

When must the yield estimates be ready?
The yield estimates should be gathered in advance of the harvest season so that they are available for purchase. 
How can accurate yield estimates be achieved?

The yield is the total quantity of a certain product that can be harvested on the farm. The yield can vary according to slope, soil type, different farming practices, climate, etc.

Yields are estimated on basis of assessment of crops in the fields, historical data on local yields, previous sales/harvest information, typical yields in the area, etc.

Therefore the ICS field officer and the internal inspector must have a good knowledge of the production system including:

- Local yield variations due to slope and soil type and different farming practices.
- Climatic impacts (e.g., drought, excess rain) and biennial bearing trends.

Getting accurate yield estimates is an interactive process and can take time. It is best if the farmers are trained continuously to estimate their yields accurately, but in some cases the estimates will always be done by ICS staff. ICS staff might also need training in this area.

The better the registration information (e.g., exact number of trees in each age group), the more experienced the ICS staff and/or farmer, and the better the available sales/buying information, the easier it is to give accurate estimates.

Yield estimates should be approved. This is particularly important if the yield estimates for certain farmers are higher than average in the region/amongst registered farmers. Who decides whether the figure given by the farmer (“because the rainy season was so good”) is reasonable? It makes sense to make this decision on project level (e.g., are the yields in other villages also higher?), not by single internal inspector.

Note that the unit area planted is not always in hectares or acres; there are often local measures. It is best to record yields against the local measurement, as this will be how the farmers assess their yields.

Exercise: Gathering information on yields

Ask the participants to draw up a list of questions for farmers and other potential sources of information for estimating the yields.
**Sources of Information and cross checking**

**Tips for estimating yields:**
In principle, the estimate is equal to last year harvest (sales and buying records) ± annual variations (field assessment) ± new planting/planting left.

For livestock, count the stock units and then reconcile for births and deaths. Estimates vary depending on the breed and the local disease loadings, which provide a basis for estimating births and hatchings against mortality rates. Obviously some animals such as buffaloes are likely to have only one offspring per year compared to poultry, which may produce more than one lot of offspring per year.

For field crops such as rice, the yield estimate will be made on established guidelines for the variety planted and the location; usual yield estimates are in tons per unit area. For crops such as carrots, the inspector should look at the size and quality of the product as well as what they see above ground.

For semi-wild crops and fruit crops, data gathered from the local government or NGO’s may provide an idea on average yields per tree or hectare; once the farmer has identified his or her farm size or tree numbers, a baseline can be established for an estimation. Yield estimates should be cross-checked using different techniques to cross-reference the validity of data supplied by the farmer or field officer.

**Cross-checking**
Once a first rough yield estimate is obtained, it is important to cross check it with other data. This is usually done in the course of the internal inspection or later during approval procedures. Only by continuous cross-checking between different data sources will the ICS operator manage over time a get an accurate yield estimate.

During the harvest it is important to note immediately if a farmer considerably exceeds his/her harvest estimations (see buying procedures) to check how it came about that the estimate was wrong. After the first season when the records are reconciled (actual against estimated), the basis for a more accurate yield estimate is established.

**Discussion:** Cover the outer parts of the slide and let the participants guess what sources of information could be used to produce and to cross-check yield data

**Exercise: Estimating yields**
Let the participants discuss typical yields for particular crops that they are familiar with. What will the typical range of yield estimates be? Can they name typical yields for different situations, e.g., dense spacing, very little rain, poor soil, etc?
Can participants agree on typical yields? If not, are there maybe really substantial differences in yields among different projects?
Challenges in obtaining accurate estimates

If the farmer is included in the estimation process, the ICS operator staff and the internal inspector need to ensure that the farmer understands exactly what they mean by the terms “yield” and “estimate”. The timeframe and the method for assessing yield should be familiar to the farmer. In some situations the farmers can tell only how much they were paid and not the quantities sold.

For the first estimates there are many genuine reasons why the farmers may not want to provide an accurate estimate of a production. The inspector should be aware of these and encourage the farmer to provide the most accurate data possible.

Examples:
- Fear of taxation by central government.
- The farmer may think that total yield refers only to product to be supplied to the organic processor and not include crop used for domestic use or other sales.
- The farmer may simply not remember his/her yield or understand the relevance of the questions.
- In some cases great variation in yields depending on weather conditions may really make it almost impossible to come up with accurate estimates earlier than very shortly before harvest
- Might be seen as an offence to God to predict a good harvest
- Farmer might feel proud in giving exaggerated figures in front of other farmers

Discussion: Challenges to getting accurate data

What could be the challenges in obtaining accurate data? How reliable is the information given by the farmers? Are well-trained extensionists able to give reasonable yield estimates?

Challenges in Getting Accurate Data

There are many genuine reasons why the farmers may not to provide an accurate estimate of his/her product yields. The inspector should be aware of these and encourage the farmer to provide the most accurate data possible.

Examples:
- Fear of taxation by government
- The farmer may think that total yield refers only to product to be supplied to the organic processor and not include quantities used for domestic use or other sales.
- The farmer may simply not remember or understand the relevance of the questions.
- In some cases great variation in yields depending on weather conditions.
- Might be seen as an offence to God to predict a good harvest
- Farmer might feel proud in giving exaggerated figures in front of other farmers
5.4 & 5.5 Internal Approval and Sanctions

The internal audit cycle

The internal control system is a continuous cycle of capacity building, monitoring, assessment/approval, and corrective measures. The implementation is then ensured again by training and monitored, etc. Each year all organic farmers have to be first inspected and then approved by the ICS, same as every individual organic farm has to be inspected once and certified by an accredited certification body.

This chapter focuses on approval of farmers after the inspection; however the internal control also includes a close monitoring of product flow. This monitoring may also result in corrective measures and usually decisions in this matter are under the same responsibility as the farm approval.
Who approves?

The approval decision is taken by assigned approval staff. This can be either an organic approval manager or an organic certification committee.

Organic Approval Committee
A committee meets at least once a year to make the decision on farmer’s approval.
- Recommended option to ensure objectivity and neutrality in the decision process. Common in organizations with a democratic structure (cooperative).
- Often there is an organic approval manager in addition to the committee who prepares the approval decisions (screens all report, prepares farmers lists).

Organic Approval Manager
- Qualified person makes the approval decision.
- Often the approval manager is the overall organic project manager.

Discussion: How much control do we need?
Ask participants whether they consider it necessary to separate approval and inspection and have formal approval procedures. Does that make sense?

Some reasons why it does make sense:
- Inspector is closer to the farmer, difficult to make critical decisions.
- If several inspectors, the central approval decision ensures consistency; i.e., all are treated the same.
- It is better to make critical decisions in a group of qualified people.
- Important requirement in all quality assurance standard that fact-finding/evaluation are separate from decision making.
Approval procedures

Usually, approval decisions are made at the end of the internal inspection season, or at more regular intervals. It is also verified that 100% of all farmers have been inspected (or that there is a clear plan to ensure they will be inspected). Of course a decision has to be made immediately if there has been a major noncompliance and a provisional decision (e.g., provisional suspension of farmer) may be necessary before the next meeting of committee.

The approval staff screens the inspection checklists (plus other documents of the farmers file if necessary) and decides on the approval status of the farmer:

- Organic.
- Conversion: year 1, 2 or 3.
- Suspended (e.g., noncompliance with rules that do not affect the organic rules).
- Sanctioned (and for how long).

The necessary corrective measures are defined by farmer (if any).

All results of the internal approval process are included in the farmers list that can be considered as a summary of internal control. Usually sanctioned farmers are listed in a separate list so that there is enough space for comments and they are not mistaken for organic farmers.
A problem is found – What should be done?

It needs to be defined what happens in case of non compliances, and how the sanction measures are being implemented.

Obviously one of the most important aspects of an internal control system is to know what to do if something goes wrong.

Factors that usually affect the consideration of how severe a non conformity is include:

- Are any external organic regulations violated? Or only internal rules (e.g., farmer has sold to trader, not only to cooperative).
- Is the organic integrity of the product (from point of view of consumer) at stake? (E.g., the use of prohibited inputs is always sanctioned with the strongest severity while pruning not having been done properly is certainly at a lower level).
- Is it the first incidence or a repeated action?
- Was it an accident (e.g., son applied chemicals while father was away) or a clear mistake? Did the farmer announce it to the internal control or did the farmer try to hide the problem?

Discussion: What would you do?

While looking at the pictures, discuss with participants what they would do if they found the mentioned noncompliances. What would they do? They will probably come up with additional questions about the situation (e.g., Was this in organic field or next to house only?). Either prepare certain answers (as a case example) or simply collect the relevant questions to illustrate that many things need to be asked if a noncompliance occurs before a decision can be made.
Sanction procedures

It is important to have clear procedures in place in case a problem is found. Who investigates the matter and in what detail (usually the internal inspector)? If the nonconformity is minor and probably not threatening the approval of the farmer everything is reported in the routine procedure of internal inspection and approval. If a major problem is found it is important that the problem is reported IMMEDIATELY (usually to the quality manager or organic approval manager) and a decision made (e.g., exclusion of farmer, written warning, etc.). Somebody must be responsible for implementing the necessary measures.

It is advisable to develop a special form to report severe noncompliances (see Annex of IFOAM ICS Guidance Manual for an example) in order to ensure that the inspector reports all information that is relevant for an appropriate corrective measure or sanction.

Note: Serious problems should always be reported immediately to ICS Coordinator.
Noncompliances and their sanction

To some extent it is up to the ICS operator how to decide on a sanction for a particular noncompliance. The external certifier will also discuss the severity of certain sanctions during the inspection and possibly the internal sanction policy will need to be adapted to the requirements of the certifier.

It is not clearly defined in organic regulations what sanction has to be applied for what noncompliance, but there are some basic principles that must be followed.

Farmers that have used prohibited inputs in their organic crop must undergo again the full conversion period (if they remain in the organic project). In such cases it has to be checked whether the farmers have already delivered produce and whether this (now no longer certified) produce has been commingled with other organic produce. If this has been the case, the external certifier needs to be notified immediately and the commingled produce kept separate until further instructions are given.

It is quite tricky if farmers have violated the internal organic standard (e.g., not built the prescribed terraces), but, technically speaking, not the external standard (no major erosion problem in fact occurred). Some ICS operators choose to sanction these farmers as punishment, but they are kept in the lists of organic farmers for certification reasons (so that they are organic again in next year) and indicated, e.g., as “suspended”.

Another issue is livestock. All organic standards include detailed livestock requirements. However, for smallholder farms that will not receive any certification for their livestock, it is commonly interpreted that only the very basic principles of sustainable animal husbandry must be adhered to. Quite tricky to decide what to do if, e.g., an organic farmer keeps his 15 pigs in somewhat poor conditions. Exclude him/her from program? Tell him/her he/she must build a nicer stable? Discuss these kinds of issues with your certifier.

### Discussion: Type of sanctions

What types of sanctions (punishment for noncompliances) would you impose?

<table>
<thead>
<tr>
<th>Sanction</th>
<th>Situation when sanction applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Written condition</td>
<td>- Minor deficiencies in record keeping, weak farm management. Minor violations of the standards or regulations</td>
</tr>
<tr>
<td>- Penalty</td>
<td>- Not having implemented last years conditions</td>
</tr>
<tr>
<td>- ICS will fine farmers $5</td>
<td>- Major deficiencies in record keeping</td>
</tr>
<tr>
<td>- Suspension for a fixed period until the farmer takes corrective actions requested (remains certified)</td>
<td>- Repeated minor violations</td>
</tr>
<tr>
<td>- De-certification of farmers → New start of conversion period for 36 months</td>
<td>- Clear violation of the standards but not threatening the organic integrity of the product.</td>
</tr>
<tr>
<td>- Farmer banned from ICS membership either permanently or for a set time</td>
<td>- Clear violation of the standards Threatening the organic integrity of the product.</td>
</tr>
<tr>
<td></td>
<td>- Obvious fraud</td>
</tr>
<tr>
<td></td>
<td>- Intentional obstruction of the inspection process.</td>
</tr>
<tr>
<td></td>
<td>- Refusal to respond to written requests</td>
</tr>
</tbody>
</table>

Example: Types of Sanctions

- Farmers that have used prohibited inputs in their organic crop must undergo again the full conversion period (if they remain in the organic project). In such cases it has to be checked whether the farmers have already delivered produce and whether this (now no longer certified) produce has been commingled with other organic produce. If this has been the case, the external certifier needs to be notified immediately and the commingled produce kept separate until further instructions are given.

- It is quite tricky if farmers have violated the internal organic standard (e.g., not built the prescribed terraces), but, technically speaking, not the external standard (no major erosion problem in fact occurred). Some ICS operators choose to sanction these farmers as punishment, but they are kept in the lists of organic farmers for certification reasons (so that they are organic again in next year) and indicated, e.g., as “suspended”.

- Another issue is livestock. All organic standards include detailed livestock requirements. However, for smallholder farms that will not receive any certification for their livestock, it is commonly interpreted that only the very basic principles of sustainable animal husbandry must be adhered to. Quite tricky to decide what to do if, e.g., an organic farmer keeps his 15 pigs in somewhat poor conditions. Exclude him/her from program? Tell him/her he/she must build a nicer stable? Discuss these kinds of issues with your certifier.
Group session or exercise: Sanctions (1.5 h)

In groups of 4-8 participants, prepare list of typical noncompliances and what the consequence would be (sanction and corrective measures to mitigate the damage). Present 1-2 such lists. Alternatively: show only left part of slide and let participants come up with proposed sanctions.

Examples Non-compliances & Sanctions

<table>
<thead>
<tr>
<th>Example of Noncompliance</th>
<th>Example of Sanction/Reaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmer has sprayed his organic crops</td>
<td>Farmer de-certified for 3 years (new conversion)</td>
</tr>
<tr>
<td>Farmer has sprayed home consumption crops intercropped with organic crop</td>
<td>Possibly expelled from organic program</td>
</tr>
<tr>
<td>Farmer has sprayed home consumption garden far away from organic garden but not allowed per internal regulation</td>
<td>Farmer de-certified for 3 years (new conversion)</td>
</tr>
<tr>
<td>Farmer has neglected his farm and has not made any soil improvement efforts</td>
<td>Farmer suspended as punishment for 1 yr.</td>
</tr>
<tr>
<td>De-certified coffee has been mixed with organic coffee of fellow farmers in village</td>
<td>Sprayed plot recorded in map as conventional</td>
</tr>
<tr>
<td>Farmer sells double his estimated harvest</td>
<td>Additional training for farmer</td>
</tr>
<tr>
<td>Buying officer has bought from uncertified farmers</td>
<td>Sent field officer to investigate in the fields</td>
</tr>
</tbody>
</table>

Training Manual on Setting Up and Harmonising Internal Control Systems
5.6 ICS Documentation

Introduction

The ICS requires farmers and the ICS operator to keep specific records. These records are inspected as part of both the internal and external inspection process. Most documents on farm level were already presented in previous sessions (checklist, farm entrance form, maps, contracts); this chapter now gives a summary what documents must be available, who keeps them, and what information must be summarized for the whole group (farmers lists).

As far as possible the farmers should be responsible for keeping their own records, but in situations where they cannot, the ICS operator should provide the necessary support.

Overview of chapter structure

Farmer’s documents
Management of documentation by farmers and ICS operator
Farmers lists
Lists of sanctioned farmers

Lessons to be learnt

Documentation must cover at least the minimum requirements for ICS.

Documentation provides the baseline data for the internal and external inspection process.

Farmers need to be encouraged and supported to complete and update documentation.

The database (farmers lists) should be updated regularly.

Keeping ICS records requires trained staff and support systems.

External certification agencies may have further requirements for farmer documentation, in addition to the minimum requirements outlined in the manual.
Farmer’s documents

In the previous sessions several documents (checklist, farm entrance form, maps, contracts) were already discussed regarding their content. This is the resultant list of documents that must be available for each farmer.

• Formal contract
• Basic questionnaire
• Field records (may be a separate document or part of the internal farm checklist)
• Farm inspection checklist
• Map(s) (village map or plot map)

For situations where the production is semi-wild and has no inputs in the production area, the ongoing documentation can be confined to the Internal Farm Checklist. This is updated at each internal inspection.

For more complex situations where there is cash cropping and even conventional and organic activities on the same farm, then the key documents should be regularly updated and checked by the ICS Operator’s field staff.

If the farmers are to keep most of the documentation themselves, the ICS operator must distribute the forms to the farmers. He/she must ensure that the farmer completes the documentation required at the time of registration. The ICS operator must ensure that the farmers update the inputs lists, yield data, farm management details, and map as is necessary.

Additional records may include:

• Farmer's notebook (records of inputs) updated regularly
• ICS field staff notebooks.
Exercise: ICS documents
In groups of 2-5 participants, discuss each document in detail and provide sample templates (if not available, use form in Annex to the raining manual as shown on the slide or see empty sample form in appendix of the ICS manual). Modify the documents for the specific project situation.
If the participants do not have a clear project of their own yet, it may help to give each group a sample case for which the documentation can be done (for sample cases, see exercise in “farm lists” section of this chapter).

(can be done either in the respective chapters, e.g., registration of farmers for details on farm maps, or when dealing with documentation in general)
Management of the documentation

Both the farmers and the ICS operator have responsibilities for managing the data. The extent to which farmers can manage their data will depend on their ability to read and write and having a suitable place to store data.

Regarding documentation, different approaches are currently taken and both main approaches are acceptable as long as the documents are available somewhere:

A) Documentation by farmers (preferable but not very common)
- Each farmer should complete, update, and store his/her own documents. Field officers may keep some basic records for farmers when they do not have the capacity to do so for themselves.
- Farmers fill in the questionnaires, draw their maps, keep simple farm diaries, etc.
- The ICS operator should keep a secure file of all documentation in a central place.
- Updated templates of all the key documents should be kept on file at the ICS central office.

Tip
The ICS Operator may provide the farmers with a waterproof folder in which to store their documents. A folder will help protect them from dust and moisture and also make them easier to find in the household.

B) Documentation by ICS (most common)
- All forms and records are filled out and kept by the ICS.
- Usually this is task of field officers or similar.
- In very simple projects (no inputs) the inspector may update the information on the farming activities during the annual inspection (no separate documenting activities).
- Sometimes combined with distribution of pre-printed simple farm diaries for the farmers in which they record main cultivation activities, harvests, and sales.

Who Keeps Which Documents – Farmers & ICS

Records kept by farmer
- Contract
- Day-to-day field records and yield data; consolidated field data
- Farm map(s)
- Internal inspection report (from previous year)/with details of sanctions
- Sales receipts

Records kept by ICS Operator
- Contract
- Basic data form with farmers details (crops, area, yield etc)
- Overview maps
- Internal inspection reports with agreed improvements to be made and discussed sanctions
- Details of sanctions and external inspection reports

Who Keeps Which Documents - the ICS

Records kept by farmer
- Signed contract with internal standard
- (Field diary, field extensionist helps with updating)
- Sales receipts

Records kept by ICS Operator
- Contract
- Maps
- Basic data form with farmers details (crops, area, yield etc)
- Updated consolidated field records
- Internal inspection reports with agreed improvements to be made and discussed sanctions
- Details of sanctions and external inspection reports
- Field extensionist note on farmers

Discussion
Discuss the challenges farmers face in storing documentation and updating information. Design a system that is appropriate to the situation where the ICS is being set up.
Farmers lists and approved farmers list

The farmers list provides the baseline data for each farmer registered by the ICS.

The information supplied by internal inspections and other ICS documents is recorded in the database and updated at least once per year to register yield estimations and any changes of status on the farm (as part of approval procedures). If (internal inspection are done over a long period of time) the list should be updated much more regularly (after approval might be the best moment) so that an up–to-date overview of the organic farmers is available anytime. For large groups, database maintenance is a time-consuming task and is best allocated to a skilled data entry person.

The farmers lists are also usually used as a summary of internal inspection to the external certifier. Also for this reason, the date and results of the internal inspection should be included in the list. This also helps the ICS operator to keep the overview of the status of internal inspection and follow-ups if they should be necessary.

Comments on minimum content of farmers list:

Yield estimates may be included in the list (recommended, required by some certifiers) but can also be presented in a separate "buying" list.

It is quite tricky to present crop details and yield estimates in a list to have the best possible overview…

- Sometimes acreage is best.
- Sometimes better to write, e.g., number of trees.

Tip: obviously all your internal documents should be designed to collect the information that you later summarize in the farmers list.

Example: there is no point in writing the number of orange trees in the farmers list when the basic questionnaire and the checklist only record the total acreage of the intercropped orange orchard.

Exercise: What would you include in a farmers list?

Cover the outer parts of the slide and ask participants to brainstorm what they would write in their farmers list.

Farmers List = Summary of internal control

Group work: Prepare a farmers list (0.5 h)

Two teams are given the task of designing a farmers list for different types of projects:

- Coffee cooperative with conventional home consumption fields; farmers do their own wet processing at the farms. Most farmers used chemicals before entering the organic program.
- Spice farmers: traditional agroforestry cultivation of pepper, cloves, nutmeg, turmeric, and sometimes cinnamon on the same farms; no conventional plots near the spice gardens, but some farmers have a conventional rice plot somewhere else. Project wants Bio Suisse certification, so conventional units must be presented in detail.
- Cultivation of sesame (3-4 harvests/year), shifting cultivation, other crops are beans and cotton, cotton is sometimes conventional.
List of sanctioned farmers

The details of any sanction against a farmer must be recorded and the details kept on file by the ICS operator.

The list should provide at minimum:
- Farmer’s name
- Farmers code number
- Details of the sanction (excluded or suspended for x years, etc.)
- Duration of the sanction
- Reasons for sanction

Usually the farmers that have left the project for other reasons (e.g., because they died) are included in the list.

Tip: the certifier will check whether your previous year’s number of farmers plus this year’s new farmers minus excluded farmers (or farmers who left the project) = present number of farmers

Discussion: Why is it important to record sanctions?

Discuss why it is important to record sanctions.
- Officially confirms a process is place to deal with non-compliance.
- Provides an official record that can be monitored by the internal and external inspectors.
- Demonstrates to farmers that actions will be taken for non-compliance.

What would you record in a sanction list?

List of sanctioned farmers

<table>
<thead>
<tr>
<th>Code</th>
<th>Farmers Name</th>
<th>Date</th>
<th>Reason for Exclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>LB Lubwama</td>
<td>May 2002</td>
<td>Farmer could not commit himself to separating activities of organic from conventional units.</td>
</tr>
<tr>
<td>5</td>
<td>MJ Martin Juma</td>
<td>02.06.2002</td>
<td>Inspector found out at 1.6 that farmer had sprayed passion fruits intercropped with the organic pineapples</td>
</tr>
<tr>
<td>5</td>
<td>KM Kasamba Mathias</td>
<td>May 2002</td>
<td>Distance too long for cost-effective management of activities</td>
</tr>
<tr>
<td>83</td>
<td>KE Kiryanfufu Zulu</td>
<td>May 2002</td>
<td>Lack of clear commitment on behalf of the farm manager to maintain organic farming practices.</td>
</tr>
<tr>
<td>85</td>
<td>HU Helu Banja</td>
<td>Aug 02</td>
<td>Did not improve pineapple management for third time --&gt; was suspended for one year until 08/03</td>
</tr>
<tr>
<td>4</td>
<td>HA Ssematimba Abdulazi</td>
<td>Sep 02</td>
<td>Farmer has become too old to continue with the farming activities, and so far no one in the family is ready to take over from him. Will check again next year whether somebody will continue.</td>
</tr>
</tbody>
</table>
6. ICS Personnel

(For training sessions it is proposed to present chapter 8 before chapter 6.)

Introduction
The ICS operator has to ensure that there are sufficient qualified personnel to implement all ICS procedures. In this chapter certain job positions that will be necessary are described. In some cases, one person may take over more than one position/duty. Obviously also how a certain job is titled can vary considerably. It is only important that a person is responsible for each job, and that this person is qualified for the job and aware of his duties.

Overview of chapter structure
Remark: the numbering in this chapter is according to the ICS guidance manual chapters. However, for this training curriculum the different chapters are presented in a different order for easier understanding.

6.1 ICS staff in general & organizational chart
6.2. The ICS coordinator
6.4 Approval staff
6.3 Internal inspector (importance, qualifications, role)
6.5 Field advisor
6.6 Conflicts of interest
6.7 Other positions within ICS (not in guidance manual)
8.5 Buying personnel

Lessons to be learnt
The employment of ICS staff carries with it the responsibilities of providing the staff with the skills and support to do their job. Having qualified and motivated staff is of crucial importance for the functioning of an ICS.

Some of the key roles in the ICS system require a high level of technical skill that can only be developed through hands-on experience.

It is very helpful to have a clear internal structure, clear positions, and responsibilities, and to document this.

Conflicts of interests can jeopardize the integrity of an ICS and must be avoided.
6.1 ICS Staff and Organizational Chart

The ICS operator has to ensure that there are sufficient qualified personnel to implement the ICS procedures in the internal ICS document.

Personnel must be well qualified and must be aware of their duties.

As already mentioned in the chapter on Project Organization, the internal ICS manual shall contain an up-to-date organizational chart of the organization.

In bigger projects it is usually advisable to have an organizational chart as an overview and additional staff lists (e.g., internal inspector/field advisors for each site) that show every ICS staff member singly.
6.2 The ICS Coordinator

There has to be an assigned ICS coordinator who has overall responsibility for the Internal Control System. He/she coordinates the ICS and hence also all other ICS staff as shown on diagram. There may be more positions in an ICS (and hence under the ICS co-ordinator) than shown on the slide.

All positions shown here are presented briefly in this chapter. In principle, one person can take over several positions (some restrictions, e.g., internal inspector cannot also be approval manager for the same group of farmers, etc.), but each position should be described in the manual. If organizations are small usually there is one person for several jobs, and as the organization grows there will be different people.

The ICS coordinator may be called “ICS Manager”, “Organic Coordinator”, “Certification Manager”, etc. The role can include both organic project coordination and organic approval or the roles may be kept separate.

The ICS Coordinator usually has a lot of duties, some of which are presented in upper part of the slide. Usually the ICS coordinator is in charge of the overall functioning of the ICS and may even be named on the certificate. It depends on the project structure which of the management duties the ICS coordinator takes over himself and which ones are delegated.

The ICS Coordinator is a key position in the ICS operation and requires a person who can demonstrate:

- Technical knowledge and experience in organic agriculture.
- A detailed understanding of the ICS standards, procedures, and documents and the requirements of the external certifying agency.
- People management skills and ability to train others in ICS systems and procedures.
- Efficiency in the handling of documents.
- Database skills.
- Experience as an organic inspector would also add to the ability of the ICS Coordinator to carry out his/her roles and responsibilities.

The ICS operator should provide the ICS coordinator with the appropriate office systems and logistical support as required, in order for him or her to carry out the work efficiently and in a timely way. Local communications may require a mobile phone and landline and, for international communications, email and telephone are essential.

Discussion: Skills of coordinator
Participants should discuss the specific skills required by an ICS coordinator.
6.3 Internal Inspector

The internal inspector is a key position in the ICS.

The roles and responsibilities require technical and public relations skills as well as an eye for detail and the ability to keep detailed records in an organized way.

The inspector is the project’s “ears and eyes”: if the internal inspections fail to detect all important aspects, even the best formal ICS will be considered insufficient. Internal inspection is important even if the project has also other way of monitoring the farmers (social control, village leader control, field advisors also noticing noncompliances during their extension visits).

It is also important to keep in mind that inspectors will need office support and appropriate means to do inspections effectively.

Lessons to Be Learnt

- The internal inspector is the ICS operator’s ‘eyes and ears’. The success of the ICS can depend on how the internal inspector is supported and resourced to do his or her job.
- The inspector needs to be able to demonstrate a range of technical and social skills to be effective in the job.
- Regular inspector training is a priority and is most effective when it involves both the theory and practice.
- Office and administrative support systems should provide the inspector with as much support as is practical.
Qualification requirements

The inspector needs to be able to demonstrate a range of technical and social skills to be effective in his/her job.

The minimum qualification requirements are:

- Is fluent in the local language and the idiosyncrasies of the farmers.
- Can read and write and can report in the language of the ICS operator.
- Is familiar with the local agricultural production and ecological systems.
- Is familiar with the principles and practices of organic agriculture.
- Can demonstrate competency in internal control procedures and an understanding of the internal regulations.
- No conflicts of interest that could influence the integrity of the inspectors work.

Inspectors are drawn from many backgrounds; most commonly they are trained in agriculture as trainers, extension advisors, or skilled farmers.

The ICS operator should also have records and details of each inspector’s training.

The ICS has to ensure it has enough qualified inspectors to cover the work involved. Having a team of inspectors has the advantage of being able to vary each inspector’s visits each year or so. Often the field extensionists also act as internal inspectors, but for a different group of farmers than those for whom he/she is doing the regular field extension work. In the end, it is accumulated field experience that makes a good inspector.

An internal inspector should not have conflicts of interest that would influence the objectivity and neutrality of his assessment. This issue is dealt with in more detail later in this chapter.
What an organic inspector needs to know

The internal inspector should have a good working knowledge of the organic standards and be able to articulate these concepts and practices to the farmers.

The internal inspector should understand the relevance of the internal regulations and how the internal procedures work. This includes being totally familiar with the forms and reporting requirements.

   The inspector should fully understand his or her responsibilities, which include:
   - Assisting farmers in completing their registration forms by drawing maps, estimating yield, documenting farm management practices and inputs (or this is done by the field officer).
   - Reconciling farmer’s yield and input details at each inspection.
   - Handling various noncompliance issues and ensuring farmers understand sanctions imposed.
   - Completing the inspection checklist and reporting to the ICS operator.
   - Attending regular training (at least once per year).

The internal inspector should know what backup the ICS office can provide, including who the local field officers are.

The internal inspector must receive updates of all changes to documents and procedures in advance of inspections.

The inspector needs to know when the inspections are to take place, how many inspections there will be, and the reporting timeframe.

The inspector needs to know how to time the inspection and arrange the inspections.

The inspector needs to know what their conditions of employment are and when they will get paid.

Tip: Interviewing applicants

Set up a framework that you will use to guide interviews for new applicants for the position of internal inspector.

List the key questions you will ask. Divide into different categories such as:

- Technical qualifications
- Practical experience
- People skills
- Attention to detail

At the end of the interview you need to know whether the applicant is suitable for the job so your questions need to be carefully thought through.
If you are unsure of whether the applicant is suitable, what options do you have? (Trial period, field experience, training with experienced inspector etc.)
6.4 Approval Personnel

Approval Manager or Approval Committee?
We have seen in the section on approval procedures that somebody must be appointed to take the internal approval decisions.
It is recommended by IFOAM that the approval decisions of an ICS are made by an official approval committee. Usually such a committee includes different stakeholders of the organizations (e.g., farmers, general managers, organic NGOs, internal quality assurance staff, etc.).
However, e.g., an ICS operator can also decide to assign an organic Approval Manager instead. Often this is at the same time the ICS Coordinator.

Qualifications of approval personnel
Since a well working internal approval and sanction system is crucial to the functioning of an ICS it is very important that the persons in charge of the approval decision are well qualified and understand what they decide upon.

The following minimum qualifications of approval personnel must be ensured:
- He/she must be familiar with the principles of organic agriculture.
- He/she must be familiar with the internal regulations.
- He/she must be well respected among the farmers and the organization.
- He/she must not have conflicts of interests.

To prove the qualification, the following documents must be available:
A C.V., a signed declaration of conflicts of interest, a written contract with responsibilities listed.

Conflicts of interests
Great care must be taken that the approval decisions are made in a neutral and objective way. Therefore it is important to ensure that all approval personnel have declared conflicts of interests and are not involved in approval in such cases.

Examples of conflicts of interests regarding approval:
- Approval of family members or close friends.
- Approval staff is strongly involved in marketing.
- Approval personnel is paid according to number of farmers approved.
6.5 Field Officers/Field Advisors and other positions

ICS operators can fulfill their requirement to train farmers in organic production and ICS responsibilities by organizing their own field extension service.

Usually a field officer lives in or close to the organic area and in this way has regular contact with the farmers and is able to make regular visits to the farms to provide support. The field officer must be able to communicate in local languages and be able to demonstrate an understanding of local agricultural systems and ecology, as well as the ICS standards, systems, and procedures.

Field officers should receive regular training and their work should be monitored by the Organic Coordinator.

The ICS operator should provide the field officer with the appropriate office systems support and communication mechanisms as well as transport for traveling to the farms (often a motor bike). Communications the field may be difficult with no telephone links. To address the problems of isolation, the field officer may be required to attend a meeting with the organic coordinator in the town center or at a designated location.

The roles of the field officer include:

- Supporting farmers to help them register and maintain their records (yield estimates, maps, input register); for farmers with limited literacy or poor facilities the field officer may hold some records on behalf of the farmer.
- Provide technical advice on organic production and product quality issues to individual farmers and to provide training on specific topics to groups of farmers.
- Monitoring possible threats to the organic ICS from conventional farming that may be nearby.
- Coordinate the purchase and delivery of organic inputs on behalf of the farmers (e.g., an approved botanical pesticide produced outside the areas).

Discussion: Field advisor/Extension system

Discuss with participants which kind of farmers training for the farm extension system they have chosen. Do they have extensionist who visits the farmers? How often? Are they from a central ICS office or are they locals who live in the villages? What are their main duties? Are they also in charge of documentation of the farmers’ activities? Why are field advisors important (only for training or to keep farmers’ documentation or for quality control or for close relation to the farmers)?
Other Positions in the ICS

Especially in bigger organic projects, there might be several internal management positions within the ICS. These positions will depend strongly on the internal procedures and the management system.

Some examples for management positions that may be useful to introduce in an ICS include:

Chief Training Officer
Depending on farmers training system chosen, either:
- In charge of organizing and coordinating farmers trainings and, e.g., organizing a model farm in each village, etc.
- Coordinates the field advisors, ensures that all field advisors always receive relevant instructions and updates, ensures good training level of advisors, ensures regular field advice visits, etc.

ICS Documentation Officer
- E.g., in charge of managing all farm data from different project sites in the central ICS office.
- E.g., managing the approved and sanctioned farmers list.
- Ensuring a consistent documentation system at different ICS centers, etc.

Chief Internal Inspector
- Coordinates the internal inspections, ensures that all field advisors (if they double as internal inspectors) always receive the relevant instructions and updates, ensure good training level of internal inspectors, ensures 100% internal inspection, organizes the additional spot checks, etc.
6.6 Conflicts of Interest

A conflict of interest is a situation where the inspectors (or approval staff, buying officers, etc.) ability to make an impartial judgment would be perceived to be compromised.

Examples of a conflict of interest would be:
- The inspector inspecting his family members or his best friends
- The approval manager having to decide whether his cousin is excluded from the project or not.
- The internal inspector being a junior person inspecting a senior highly respected person in his home village. Will he/she be able to do a thorough evaluation of the farms?
- A buying officer knowing all farmers from many years of extension visits. How would he/she react if the farmer wanted to sell double the harvested amount?

If it is very clear that such cases occur in the ICS, the reputation of the ICS will deteriorate and the acceptance of internal decisions will decrease because nobody will think of the ICS as an objective and neutral institution.

In order to prevent any actual conflicts of interests, all such potential conflicts must be declared (e.g., listing close family members or good friends within the organic project). Then great care must be taken to organize internal procedures accordingly so that no conflict of interest will arise.

For example:
- An inspector can never inspect his home village or any of the farmers listed in his declaration of interests.
- For friends or relatives the approval manager will delegate the decision fully to an approval committee or committee or to the chief internal inspector.

Motivation exercise: Conflicts of interests

What are potential conflicts of interests for inspectors, for buying officers, or for approval managers? Is there a conflict of interest if the field officer assists the buying officer during the buying season? Is it a conflict of interest if the field officer also does the internal inspection? Would this be a good idea? (Possibly come back to the discussion of what the difference is between extension and internal inspection?). How do you deal with the problem that young inspectors may not want to question elder/highly respected farmers too thoroughly?

Conflicts of Interest

A conflict of interest is a situation where the inspectors/approval manager’s ability to make an impartial judgement could be perceived to be compromised.

A conflict of interest compromises the overall integrity of the ICS.

Potential conflicts of interest need to be declared in order to prevent any actual conflict of interest. The ICS manager checks the declarations and ensures that nobody inspects/approves farmers where a conflict would arise.
Conflict of interest consultancy vs. internal inspection

One particular aspect that has often been discussed in the context “conflict of interests” is the separation of internal inspection and field advice.

It has been widely regarded a conflict of interest if the same person does both internal inspection and consultancy work (for the same farmer). This opinion originated from the general criteria for certification bodies (separation of advice and inspection), but also from the fact that in many cases the field advisor is very close to the farmer and knows them too well to do a complete and thorough internal inspection at some point, checking all aspects of the internal organic standard. Also having two persons to visit a farm adds to the objectivity of assessment and reduces the risk for problems.

Therefore many projects have started to exchange field officers for their extension work; i.e., field officers inspect the group of farmers of their colleague field officers once a year for the formal internal inspection.

However, the result of this requirement has been that in some cases the field advisor service was neglected for the sake of having a well-separated internal control. Sometimes, internal inspectors are so far from field realities that they also do not make good inspectors. Also, small projects face a real problem in having two different persons for extension and inspection.

Therefore the rule has now been changed that “extension and internal inspection does not need to be separated per se”. The main point is that the internal inspection must done in an objective way, as a clearly separate event and without conflicts of interest (i.e., the inspector and advisor cannot be too close/familiar with the farmers). If extension and internal inspection are done by the same person for the same farmers, the external control will focus on the actual quality of the internal inspection and objectivity of the field officer.

Discussion: Separation of extension and internal inspection

Ask participants whether they have been informed (by certifier or from other sources) that extension and control have to be separate. Did they have to change their systems to meet this requirement? What was their experience with the separation? Does it make sense in their system or not? What are the advantages of separating the two activities? What could be the disadvantages?
6.7 Buying Personnel

Buying officers should be assigned to take charge of the buying procedures. The buying officer should be able to carry out the following tasks:

- Check farmers’ identification.
- Weigh or count product.
- Assess whether the product has reached the agreed quality standards.
- Check that the quantity of product presented for sale falls within the farmer’s yield estimate as it is recorded in the farmer’s checklist and deal with problems if they arise.
- Record the date and quantity of product in the buying list.
- Write and issue a receipt for the farmer (date, weight or count, farmer’s name or ID code, amount paid).
- Manage cash and pay for the product.
- Reconcile the buying list for each buying location (daily).
- Ensure sacks or containers are loaded and transported to the processing facility in compliance with the ICS requirements.
- File or lodge the buying records as required by the ICS operator.

The position of buying officer can be a challenging one and it is not uncommon for buying officers to be threatened by farmers unhappy about prices or the rejection of a crop due to poor quality.

Buying officers often carry a great deal of cash with them to the field and care must be taken to ensure the security of the staff and the money. It is common for at least two staff to be responsible for the buying process, partly for security and partly for efficiency with one staff member assessing product and the other recording and paying the farmers.

The ICS operator should closely monitor the buying operation to ensure that the buying officers are complying with all requirements. In the case where contract buyers are used, they should be required to have the same skills and training as ICS buying officers employed by the ICS operator and be monitored regularly.
Staff documentation

For all ICS staff, the following documents should be available in the staff file:
- Job description
- CV
- Contract or other document with details on employment, etc.
- Signed conflict of interest forms for inspector/approval staff/buying officers
- Confidentiality agreements (may be good idea for, e.g., member of approval committees)

Records of all training events (date, content, attendees) should be kept at the ICS operator’s main office.

The roles and responsibilities of each staff member should be clearly defined and documented by the ICS operator.

It is common practice for the ICS operator to have on file for each key position:
- A job description and details of responsibilities.
- Employee’s CV.
- Employee’s Employment Contract or details of terms of employment.
- Signed Conflict of Interest Declaration Form
- For some positions signed confidentiality agreement.
- Training Records
7. Training

Introduction

The training of ICS trainers and farmers is an important part of the ICS process.

The objective is to provide farmers and project staff with a clear understanding of the relevant aspects of organic farming and, especially, make them aware of the contents and implications of the internal regulation for organic agriculture.

Overview of chapter structure

Training of Farmers

- Build awareness
- Understand and implement an ICS
- Ongoing training to improve farmers organic farming and management skills
- Field extension models

Lessons to be learnt

Developing an understanding of organic procedures takes time and experience.

Regular training is an essential tool for building farmers technical knowledge and confidence in organic techniques and ICS.

Training of farmers provides for regular contact and reduces the risk of accidental noncompliance.
Why is training so important?

For the well functioning of an ICS is of crucial importance that all staff is well informed and well trained.

The same applies to the farmers. They must be aware of the requirements, but they must also receive sufficient know-how in organic production methods (e.g., compost preparation, pest control). Often training in quality improvement is also needed to ensure good product quality.
Training of ICS Staff

Internal Inspectors
Of all staff, the training of internal inspectors is probably the most important. Therefore it is explicitly demanded in the IFOAM ICS manual that all internal inspectors shall be trained at least once per year.

Training will usually include a seminar session (theory) and a practical part in the field.

During the year the training is also important (especially if it is found that, e.g., a certain inspector delivers poorer quality inspection than the other inspectors) and can often be easily organized by conducting joint inspections (inspectors follow each other’s inspections and learn from each other).

Training programs may utilize the skills of outside experts (consultants, inspectors, administrators, certifiers, etc.) to provide training support.

Training other ICS personnel
The other ICS personnel must also be trained to ensure that everyone is qualified for his/her duties.

- The internal inspector needs to receive at least one training by a competent person each year.
- The date of the training and details of the training program must be documented in the ICS operators staff files.

- The training should involve a range of skills:
  - Updates on changes to the standards, procedures, documentation layout
  - In the first year, in particular, practical experience in inspections with an experienced inspector.
  - Working with other inspectors in other areas would also be useful to broaden the experience.

- All staff should receive training in their particular area of responsibility. It should be expected that staff have a basic knowledge of organic systems and specialist knowledge in their work area.

- Approval staff should receive training to update their knowledge regarding changes to both ICS and external certification agency’s inspection requirements.

- Staff involved in the purchase of product should be trained and checked regularly as accurate buying and selling records are integral to the reconciliation of farmers’ yields and actual sales.

- All such training should be documented to include the date and the content of the training in the ICS staff register. These records may be requested by the inspector during the external inspection.
Farmers training - Building awareness

Training farmers is seen as a critical part of the ICS, which aims to monitor and measure how farmers demonstrate their compliance with the standards.

Before an ICS is introduced to the farmers, they should normally receive background training in ‘what is organic’. The introduction may be carried out by skilled project consultants or ICS personnel. Training is also important as it provides an opportunity for informal checks for assessing farmers’ progress and can highlight issues that need urgent attention and solve problems.

The trainer should keep records of training dates and who participates. This adds another level to the informal assessment of each farmer’s commitment to the ICS and organic farming.

Ongoing training
Training farmers should be an ongoing process. Organic training sessions may be linked with training in improving product quality or discussing price, etc. Regular training in specific skills such as organic fertility management builds knowledge and trust and will reduce the risk of things going wrong.

Field extension options
There are many different models for training farmers. Generally farmers train best as a group and where they can get hands-on examples of the key issues. The farmer field school provides a useful model for bringing framers together for specific training. Using farmers group leaders to organize farmers to attend short trainings is often the most effective method for getting most farmers to a meeting or workshop.

Each farmer needs to receive at least one initial training in organic agriculture. Continuous training in organic farming is important!

- Training is also important as it provides an opportunity for informal checks for assessing farmers progress and can highlight issues that need urgent attention and solve problems.
- The trainer should keep records of training dates and who participates. This adds another level to the informal assessment of each farmer’s commitment to the ICS and organic farming.
Additional tips: How to do good farmers trainings

Key reference for trainers

Organizing a training
The trainer should provide each farmer with copy of the basic standard (in the farmer’s language) plus key documents (registration form, contract, etc.)

The trainer should encourage the farmers to:

- Discuss key elements of the internal standards and offer practical solutions to various issues (through participatory methods when possible).
- Demonstrate their responsibilities for compliance with the internal regulations by providing accurate information in their registration documents.

Additional Tips:
At most training sessions the question of prices usually surfaces. The trainer should deal with this issue by allocating such discussion to a specific time slot in the training program. Don’t get distracted!

Train ICS staff
Train extension providers
Train key farmers

Training exercise: ‘Building Awareness’
Farmers hold many different opinions of what is organic; before you can create an understanding of what is organic, the farmers must be introduced to the key principles.

Ask the farmers what they know about organic farming and to describe their current farming practices that they think are organic – list on board or paper (attach to left side of board or wall). On a prepared sheet of paper or transparency show the farmers some key components of the internal standard and describe them. Attach this to the right side, leaving a paper-width space between the sheets; then, in the middle, link examples from sheet 1 and sheet 3 to describe modifications that farmers will have to make to their farming system in order to meet the standards. Title the sheet ‘Actions to Be Taken’.

Step 1                    Step 3                  Step 2

Actions to be taken
Farmers ideas about organic
Basic Standard
Buffer zones
Inputs

Training Manual on Setting Up and Harmonising ICS
8. Buying, Handling, Processing & Export

(For training workshops it is recommended to present this chapter after chapter 5, “Farm Control and Approval Procedures”.)

8.1 Selling and Buying Procedures

The buying, handling, processing, and exporting of products is usually carried out by organizations (e.g., companies, cooperatives). Usually this is the ICS operator, but it could also be another company. The product is usually purchased from farmers and then processed and packed for the market. (See the discussion of project organization in chapter 2.)

The ICS operator is required to ensure that the product the farmers present for sale as organic is certified organic. Documentation of Buying is crucial because the farmers usually do not keep sales documentation themselves. The product then must be handled as “organic product” and may not be contaminated or changed in ways that would make it noncompliant with the standards.

Overview of chapter structure

Different buying/selling systems
Buying procedures and documentation
Buying staff and risks during buying
How to avoid mistakes during buying

Lessons to be learnt

The documentation of selling and buying procedures is an important part of the ICS process and is an important focal point for the internal and external inspection.

The documentation systems may vary according to the complexity of the production and processing situation, but at all times the minimum requirements must be met.

Preparing selling and buying documents must be in compliance with ICS procedures.

Selling/Buying Procedures

- The buying, handling, processing, and exporting of products are usually the responsibility of the ICS operator, but it is also possible that another party (e.g., the processor) takes responsibility for product flow right from the farm gate. (See chapters “project organization”.)

- Buying procedures ensure that the product is purchased from certified farmers only.

- The product once it enters the processing system it remains certified organic and must not be contaminated or commingled with un-certified products.
Selling and buying systems

There are a number of variations in the buying and selling of products, but it is important to remember that the minimum requirements must be met and in many cases there may be additional procedures that need to be documented (from the certifier or the buying agency). The ICS operator is responsible for ensuring all these requirements are met.

1. Farmers may sell directly to the buying officer at the farm gate.

2. Farmers may transport their organic products from their farm to a buying point (by horse, motorbike, on foot, etc). Generally these buying points are close to their farms.

3. Farmers may sell some products directly at the farm gate and sell other products directly to the buying points (this happens when there is a different price paid for on-farm pick up and, e.g., factory delivery). When the farmers are going to town they decide to carry a sack of their organic product with them; they get cash at the factory and can then go shopping.

The ICS operator must assess if there is any risk to the organic integrity of the product. If there is a risk, measures should be put in place to ensure the organic integrity of the products, whatever the transport or buying arrangements.
Buying procedures and buying documentation

During buying it is of crucial importance that all steps are duly documented and that all staff involved are aware of the correct procedures.

At all times certified organic and non-organic product should be clearly separate in clearly marked bags and kept in clearly marked storage areas. It is recommended that vehicles carrying organic products carry only organic product and do not mix their loads.

Buying procedures usually involve the counting or weighing of a product and may also involve a quality assessment of the product being supplied. The trader/processor has the right to reject products that do not meet the grade standards required.

Any contracted buying agent must follow the buying procedures and have trained staff to document the purchase and pay farmers.

Buying list
An example for buying list is also included in Annex to the IFOAM ICS Guidance Manual.

Buying lists are either kept in books at different purchase centers, or specific forms are prepared by the ICS manager which include already all approved farmers’ names and estimated yields. This enables the purchase staff to ensure more easily that they buy only from certified farmers (and the information is 100% up-to-date, including any last minute sanctions) and also to see more easily if the estimated quantities are exceeded.

### Buying Procedures

<table>
<thead>
<tr>
<th>Buying Procedures (from farmer)</th>
<th>Buying Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare/set up buying point (scales, farmer list, cash for payments, receipt book).</td>
<td>Buying list or (official) Certified Farmers List – check farmer’s status.</td>
</tr>
<tr>
<td>Buying officer to check each farmer’s identification and organic status.</td>
<td>Buying list – enter amount of product for purchase, farmer’s name, date of sale, organic quality.</td>
</tr>
<tr>
<td>Buying officer inspects farmer’s product quality and weighs or counts.</td>
<td>Receipt issued – farmer’s details, date, quantity sold, organic quality, and price paid.</td>
</tr>
<tr>
<td>Pay money and prepare receipt.</td>
<td>Labeling of bags (organic, code/lot); keeping updated stock registers.</td>
</tr>
<tr>
<td>Intermediate storage.</td>
<td>Optional documents: usually a consignment note including a copy of the Buying List.</td>
</tr>
<tr>
<td>Load on to transport.</td>
<td>Optional documents: usually sign-off on buying list by warehouse manager.</td>
</tr>
<tr>
<td>Receive at processing plant – check consignment against buying list.</td>
<td></td>
</tr>
</tbody>
</table>

---

**Sample Buying List**

Important for buying documentation:
- indicated organic quality
- quantity
- Farmer’s name & code number
- farmer receives a receipt
- product named (if different products)
Buying staff and potential problems in the buying process

The buying work can be done by employed buying staff or by buying agents, but they both need to work fully according to the requirements (only by from certified farmers, etc.), and the ICS operator must be able to ensure this. All buying staff should have written contracts with clearly defined responsibilities.

The use of contracted agents is most common when roads are poor. Specialist vehicles may be required to access remote areas. The processor/trader may not be able to justify the expenditure on a suitable vehicle.

If agents are used, the ICS operator may choose to carry out audit checks on these contracted buying agents at any stage in the buying season. The purpose of these checks is to ensure the farmers are receiving their payments at the agreed prices, the agents are completing the paper work, and it is being passed on to the trader/processor with each consignment.

Discussion: Risks in buying procedures

Discuss the following issues and, if appropriate, collect the most critical issues on a flip chart or blackboard as reminders.

a. Ask the participants to describe the different buying systems used by the buying party in their ICS. Are there already established buying procedures (for uncertified products)? What has been their experience with the different systems? Do they think the procedures are appropriate to ensure a well-monitored product flow for organic products?

b. Identify possible problems that buyers face when buying products from farmers. Examples:
   - Farmers forget their ID card and the buyer doesn’t recognize them.
   - Farmer delivers much more than estimated by internal control – has farmer sold crops of his neighbors?
   - Farmer’s product quality is poor (product has been setting in bag too long, product dirty, too many insect pest, etc.) and buyer refuses to buy; farmer gets angry and threatens the buyer with physical harm.
   - Price is too low; farmers want more money. The buyer is alone in the hills surrounded by angry farmers.
   - Farmers fail to bring produce to buying point on time.

c. Risks for the ICS operator regarding incorrect behavior of buying personnel. Examples:
   - If buying officers are paid by delivered quantities they could be tempted to buy from unregistered farmers to bring more produce.
   - Roads to registered farmers may be in a very bad condition, so they collect products from closer (uncertified) farmers or from the market instead.
   - Deliver goods of uncertified farmers for normal price and keep the organic premium price for his own profit.
   - Buying officers buy from farmers they know (and who were certified) but who are no longer certified.

Collect a list of important critical control points to discuss further at a later time.
How to avoid mistakes during buying

The critical problems are commingling of organic and non-organic products and contamination of products from various sources (dirt, spilt fuel, pesticides). These problems can result from accidents or from deliberate attempts to sell non-organic product as organic. Whatever the reason for a non-compliance, the result is the same. The level of noncompliance is assessed and the appropriate sanctions imposed.

Some of the problems buying staff might face in dealing with farmers are listed as points for discussion in the section “Buying and Selling Systems” above.

Other critical situations can arise from having too many farmers at a buying point all wanting attention. The volume of people can overwhelm a buyer and lead to mistakes in the paperwork.

Potential problems at these transfer points largely result from the capacity of the ICS operators (field staff and buying agents) to follow the ICS requirements.

To ensure that the buying process is managed efficiently, the ICS buying officers or contract buyers should:

1. Ensure there are enough staff members to handle the buying in a managed way.
   - Ideally have at least two persons, one assessing and weighing the product and the other recording the details and paying the farmer.

2. Ensure that the buying staff are trained and know their jobs.
   - Staff should receive at least one training per year to update changes to documents and procedures for recording and reporting data on products.

3. Ensure that truck drivers and other staff who handle products are familiar with the risk of commingling and misplacing organic product.
   - Staff should receive a short training at the beginning of each production season.

Motivation exercise: How to avoid mistakes?
Ask participants to come up with some measure to prevent such mistakes (in general) from happening. Any general precautionous measures?

How to Avoid Mistakes During Buying

To ensure that the buying process is managed efficiently the ICS buying officers or contract buyers should:

- Ensure there are enough staff to handle the buying in a managed way.
- Ideally have at least two persons, one assessing and weighing the product and the other recording the details and paying the farmer.
- Close supervision by other ICS staff.
- Ensure that the buying staff are trained and know their job.
- Staff should receive at least one training per year to update changes to documents and procedures for recording and reporting data on products.

Discussion: Critical Points
Come back to the pieces of paper listing potential critical situations or mistakes in the buying process. Arrange them on the right side of a blackboard according to subject.

Then discuss for each critical situation in detail: what needs to be done and how to prevent it from happening (again). Align these suggestions on right side of blackboard.
Examples:
- When farmer’s yield exceeds estimate in buying lists – check estimate (it could be evidently wrong) and factor in bumper crops. Buy the product, inform ICS coordinator, and set it aside until problem resolved. Coordinator will send send internal inspector to check whether estimates were wrong (train inspectors better) or farmer tried to cheat (sanction). The ICS Coordinator has to make the final decision whether the product can be accepted.

- Wrong data in buying list (farmers list used as basis for buying) is usually the result of human error. Report the problem to the ICS operator, organic manager, or buying officer as soon as possible. If a farmer’s name has been omitted from the list but he or she can show proof of his or her organic status, it is advisable to purchase the product, record all details as required, and set the product aside until the buying lists details are confirmed or revised. Attention: do not trust that a farmer is STILL certified just because he/she used to be certified in the past.

- Commingling of product (e.g., by accident) is a major problem and usually results in the decertification of the product batch that is contaminated (can be a big batch if all lots have been mixed). Can also happen easily if bags not labeled properly. Good labeling (with an easy–to-see system, e.g., different colored bags) and good training of staff usually helps. Be cautioned that your own staff could also be tempted to commingle products (buy from uncertified farmers), so arrange their benefits/salary in a way that does not tempt them.
8.2 Product Flow Control (Handling) & Storage

The first part of this chapter has concentrated on buying only. In this chapter the focus will be on the overall product flow (of which buying is only a part) and the requirements that apply generally at all stages.

Handling is the term used to describe how people in the system process and package a product. A storage area or warehouse is the physical environment in which an organic product is kept. Storage is the process of moving product into the warehouse/storage area (prior to and after processing) and looking after it while in the store.

Overview of chapter structure

Principles of product flow control
Handling of organic products at all stages
Preparing product flow documentation
Storage of organic products

Lessons to be learnt

The regular monitoring and checking of the product flow process is important for ensuring compliance to the standards.

A hands-on approach is usually far more effective for developing an accurate product flow diagram. Walk through the whole procedure before and after the documentation has been prepared. It is a very important exercise to be aware of the risks at each stage.

The capacity of contract processors and storage operators to comply with the standards adds an additional risk to the compliance process. Many businesses have product flow systems and procedures (ISO and HACCP) that can easily be adapted to incorporate the organic requirements.

Staff training is the best insurance against accidental commingling or contamination of product.
Overview of organic product flow systems

The rationale for setting up and maintaining procedures to scrutinize product flow is to protect certified organic products from being mixed with uncertified products or contaminated in any way.

The product flow system should be designed to track and monitor each step a farmer’s product takes, as it moves from the farm, through processing, to the point of sale or export.

The ICS may cover:
- The product flow from farm to export (this is usually the case when a processing company is responsible for the ICS).
- The ICS may stop at the point the farmer sells his or her product to a processor or trader. In this case the processor or trader must be individually certified with procedures in place for the ensuring that the product purchased from farmers is from certified farmers and reconciles with the farmer’s yield estimations.

In the latter example an ICS operator may also provide oversight of the processor/trader’s product handling and processing systems. Arrangements for such a relationship are best formalized in a contract.

Who is in charge?

The ICS should supervise and control the product flow from farm through to export. Alternatively the responsibility of the ICS operator may stop at any point that the product is sold to a processor or trader. In this case the processor or trader must be individually certified with procedures in place for the ensuring the compliance with the handling criteria.
Group exercise: What are the steps in flow of your product?

Using a series of boxes identify each point in your ICS product flow, showing each step in which a product is processed, packaged, or changes place or ownership. Mark in different colors if different entity is in charge.

If suitable you may use the empty slide No. 8 and fill in the single steps there, otherwise simple use, e.g., paper cards for each process and arrange them on blackboard. Slide No. 9 gives an example if the participants do not know a lot about product flow.

It is highly recommended to combine this exercise with some overall risk analysis at each step (as done on slide 10-12 during pilot training in India).

Other examples of potential problems
- Deliberate fraud
- New, untrained staff use wrong procedures
- Labels lost
- Product to wrong store
- Contamination from chemical or industrial sources (spilt fuel)
- Dirty bags or containers
- Product comingled while in transport
- Subcontractor fails to follow protocols for cleaning

This exercise can be either done as group work in small groups or as a group discussion exercise in class. The risk analysis can be done especially well with the whole class.
Handling of the organic products at all stages

Product flow is a term used to track the movement of a product through the various stages of processing, handling, and storage. For an ICS these stages are often documented and displayed as a chart or flow diagram. Various protocols may be written to describe various aspects of the operation, e.g.: machinery-cleaning procedures, handling wastewater, etc.

The minimum requirements under an ICS for Storage and Handling are:

- Identification of the organic product as "organic" in all stages in the storage, processing, and handling of a product.
- Strict separation of the products (certified organic and not certified organic).
- For storage the warehouse areas must be clearly marked as organic storage areas.
- No prohibited methods used to process products or fumigate storage and processing areas.
- Pest management of storage areas must be in accordance with standards.

The product flow diagram must clearly show each important stage in the handling and storage of the product. All steps are subject to supervision and inspection.

Change of quantities
Whenever the organic product has changed quantities the recipient shall make a short check: Is this really the organic product? Am I sure it comes from certified source and not from somewhere else? Is it labeled correctly and does the product conform with the information on the transport documents?

E.g., transport document says 20 bags organic coffee, but you receive 18 bags and they are not labeled as organic? Will you take them into the organic warehouse?

The storage and handling process usually takes place under the roof of the processor/trader in an area that is clearly defined for organic product. There are exceptions to this process, for example:

- Contract processor is used for a particular process (e.g., contract huller for coffee).
- The processor/trader may have parts of the operation located in different buildings some distance apart (e.g. warehouse in harbor).

Discussion: Minimum requirements
Present each of the following minimum requirements and discuss various options for meeting these criteria.

Minimum Requirements for Handling I

Identification of the organic product in all stages in the storage, processing and handling of a product. Examples
- Dedicated containers, one colour for organic only, distinctive sack labels with "organic"
- Distinctive packaging for finished product (often minimum labelling is prescribed)
- Indication of "organic" in records, transport papers, etc.

Strict separation of the product (certified organic and not certified organic), Examples:
- Dedicated handling areas,
- Arrows directing organic product flow throughout the facilities,
- Dedicated store areas, store areas clearly marked organic only,
- Dedicated machinery
- Dedicated transport
- Separation can also be guaranteed if the same machines, handling areas etc. are used (see later)

Minimum Requirements for Handling II

No prohibited methods used to process product or fumigate storage and processing areas
- No fumigation of warehouses or containers with products
- No ionization or irradiation of products
- Declaration of all inputs
- Protocols to manage possible problems in accordance with standards

Pest management of storage areas must be in accordance with standards
- Pest management protocol and records
- Check types of possible pests to assess possible problems and implement organic treatment options
Preparing product flow documents

**Product flow:** Carefully mark/draw the pathway the product takes as it moves through the system (from buying to export, as far as under your responsibility). Within each unit (e.g. buying station) use a site map to indicate the product flow. Use arrows and lines (coded to show organic and uncertified products).

**Product records:** design warehouse records (in-out with lot numbers), transport delivery notes (product and quantity/lot from where to where), documents to record in the incoming goods control (list what products are received when from where and whether products were okay and clearly came from organic operator, labeled as organic).

Start at the point where product enters the system and finish where the product leaves the system, e.g., packed into a container and sealed for export.

Note that very often the systematic approach and documentation of other quality assurance systems such as ISO 9000 or HACAPP can be used as a basis. In this case the organic additional information is only added in the system.

**Team work: Design/discuss product flow documents (1.5 h)**

In smaller teams of 3-4 participants work out a proposal for product flow control documents (1 h):

- Start with showing the product flow on diagrams and site plans.
- Design appropriate documents (e.g., warehouse records, transport delivery documents, etc.).

The focus is less on processing activities (separate exercise to work out details on processing product flow) and more on the many steps from farm to final export (including transport, warehousing, etc.).

Then discuss at least one team’s proposal as a group. Do you find something important missing in your documents? In what situations is your proposal valid? Only for specific operators or all processing/storage activities that are relevant for the participants?

Alternative for rather inexperienced participants or lack of time: Discuss existing examples of product flow documents (trainer has to collect some real local examples or take examples from the Annex of the ICS manual).
Storage of organic products

Certified organic products must be stored in a way that protects both the organic integrity and physical nature of the product.

The risks to organic products in storage usually arise from contamination caused by the use of prohibited fumigates or pesticide, dirt, spilt fuel, and the commingling with non-organic products.

Storage systems should be in accordance with the standards.

- The stores should be cleaned using the appropriate method for the product (sweeping, washing, air blowing, etc).
- Products should be stored in a way that best protects them from sunlight, dust, humid air, pests, and other problems (sacks, plastic containers, etc.).
- The storage areas should be accessible and ideally dedicated to organic products only; they should be clearly marked ORGANIC STORE.
- Where needed, a pest management program should be documented with inputs recorded and monitoring reports kept by the operator.
- In the case of contract storage, a protocol must be established and contract signed with the operator that agrees to the requirements of the standards. The contractor’s facility will be subject to both the internal and external audit as part of the operator’s overall inspection.

A written protocol describes how a process will be managed, who is responsible, and how the system is monitored and reported. Protocols are used by operators to record and demonstrate how they aim to comply with the standards.
8.3 Organic Processing

What is considered processing?

After harvest there are usually a couple of smaller processing steps before the product is marketed. It is important to note that all these activities, which are often only very simple procedures, are considered processing and thus are subject to organic inspection and must fulfill the processing requirements.

It is important to note that basically the same rules apply whether the processing takes place on the farms or at a central processing site. Since, however the processing done at the farmers’ homes is usually very simple, this processing is usually summarized as “post-harvest-treatment” and dealt with in the internal organic standard and the internal inspection.

Many central processing sites are also pretty simple regarding organic certification because often only a single product is processed (no ingredients or auxiliaries) and often the processing is merely mechanical. Nevertheless, there are some important rules in any organic handling and therefore the processing will be inspected and certified each year by the organic inspector.

It depends on the project structure whether the processing is done on contract or by a trading partner (thus not under the responsibility of the ICS operator) or whether some processing steps are the responsibility of the ICS operator.

Discussion: Processing

Discuss with participants what processing steps they have in their own organic projects. Where is the processing done? Write the processing steps on pieces of paper for second part (next exercise only with the part of processing in central unit).
Important aspects of organic processing

Separation & Identification
Separation of organic grades (organic, conversion, and conventional) during all stages of product flow.
- Separation during processing, e.g., by allocating special days for the organic processing; separate processing workshops, supervision during organic processing.
- Preventing possible contamination thorough cleaning of machines before organic processing, using only clean bags for the organic produce.
- Separation during storage: separate rooms or separate areas with clear "organic" signs.
Identification of products as organic at all stages; products should always be labeled as "organic".

Ingredients & processing aids
All agricultural ingredients must be certified organic (certain exceptions depending on standard). Examples:
- Organic banana chips: bananas, sugar, and palm oil must be certified organic.
- Spice blends: all spices used (even small quantities) must be organic.
- Natural dye (plant extract) for nicer color of shea butter must be certified organic.

All non-agricultural ingredients or processing aids used (apart from salt and water) must be explicitly permitted for organic products by the applicable organic standard. This concerns all processing aids that are in direct contact with the organic product.
- Additives to washing water, e.g., citric acid (allowed).
- Color preservatives, e.g., sulfur for dried fruits (prohibited in organic).
- Anti-coagulation agents, e.g., calcium chloride (allowed).
- Preservatives, e.g., flushing packages with nitrogen gas permitted

Each organic standard has a list of permitted non-agricultural ingredients and processing aids in the Annex.

Documentation
Certification status of used ingredients and all processing steps (from reception of organic raw products to the final product) must be duly documented (certificates of incoming raw ingredients, processing diary, warehouse record).
It is highly recommended to introduce a lot processing system and to organize all documentation by lot. Many businesses have product flow systems and procedures (ISO and HACCP) that can easily be adapted to incorporate the organic requirements.
Documents should be designed to meet all requirements (not separate documentation systems for different standards).
Note: For bigger processing units that handle both organic and nonorganic products, it may be helpful to also indicate the overall product with site maps and floor plans.

Site map: draw a map of site where processing facility is located, showing all buildings, indicating what each building is used for, and color-coding to show the buildings where organic products are handled.

Floor plan: draw a floor plan to scale for the all the buildings where organic products are handled. Identify storage, offices, processing areas, machinery, and any points where key activities take place, e.g., buying point, packing etc. Color-code to show the areas where certified organic and uncertified products are handled and stored.

Group exercise: Processing steps central unit
In smaller teams work out a processing chart: all steps that take place within the processing unit. It would be best to prepare a table with the following columns:
- processing step
- description of step/details on auxiliaries, grading categories, etc.
- room/place
- documentation

How can separation be guaranteed?

Separation between certified organic, organic in conversion (if applicable), and uncertified products is guaranteed by having the required procedures and control systems in place and staff members trained to work with these procedures. Regular monitoring and inspection (internal and external) of these systems provides a means of verifying that separation is being maintained.

All products must be accounted for

The ICS documentation trail must reconcile all products brought in with all products that go out, including waste and processed product. This reconciliation is used to provide evidence that no product unaccounted for has entered the system. Tracking products from the source through the system also provides a means of tracing products on a batch or lot basis. Should there be complaints about a product, the system should be able to trace the problem to the contributing suppliers.

The most effective way of guaranteeing separation is for the processor/trader to handle only certified organic products. In this way, all aspects of the operation are certified as organic and there are no uncertified products or activities within the operator’s system.

The systems and facilities of processors and traders who handle both certified organic and uncertified products can also be certified organic once they are able to guarantee separation. They are required to clearly track the product flow, have protocols for cleaning processing machinery or have designated machinery and transport for organic only, and designate storage areas strictly for organic products. The certified organic product must be stored and transported in easily distinguishable containers that are used only for organic products. Documentation must accompany the product at each step as it moves through the system.

Separation is guaranteed by having a clearly defined system and staff trained in their responsibilities for handling certified organic products.

How Is Separation During Processing Ensured?

Examples of how separation of organic and non-organic products can be achieved:
- only handle organic goods
- separate production lines (e.g. processing machinery)
- process organic goods at separate times e.g. only every Monday morning when all machines are clean
- all processing is strictly batch wise
- Well-trained staff
- continuous supervision during organic processing

Group work or group discussion: Critical control points in processing
Discuss the critical points for each processing step (from previous exercise). Where could contamination or commingling/mixing occur? Are any other ingredients/processing aids used?

Discussion: Supervision of organic processing
Discuss with participants how they would ensure that the organic processing is done correctly and how they would ensure separation.

Discussion points:
- Only process organic products? Can they effectively ensure separation otherwise?
- Better to have always a supervisor present or to train all workers accordingly?
- Write detailed processing instructions?
- What if processing is done on contract by another operator?
8.4 Organic Exports

According to some organic standards (e.g., EU-Regulation), export is also subject to inspection and certification. In general the requirements are pretty straightforward:

- Guarantee separation of products during storage (including, e.g., cool storage at harbor) and shipment.
- Ensure there is no contamination of organic produce (e.g., fumigation in warehouse, pest treatment in container, etc.).
- Clear documentation of all produce bought as organic and sold as organic (product flow documentation).
- If the exporter also does repacking he has to be considered a processor as well.
- The product must be labeled according to the requirements of the organic standard.
  - For bulk ware (transport packaging): Handler of product, product, “organic”, “certified organic acc. standard XXX by Certifier XXX”, lot number (if applicable).
  - For final consumer labeling, it is more complicated; always submit label to certifier for approval.

In addition to these general aspects there are some additional specifics that the exporters should be aware of:

- For imports into the European Union, the import needs a “certificate of inspection” for each consignment. These certificates must be applied for with the certifier for each shipment.
- In the EU, the importer will need an “import authorization” from the competent authority of his member state. These authorities may require various pieces of information. Usually the certifier should assist the importers with these procedures to ensure that the organic produce can be imported without problems. It is important to note that in some countries all supplying producers must be listed in the authorization, i.e., an exporter who starts buying from, e.g., a new cooperative, must inform the certifier of this new supplier.
9. External Inspection

Steps towards certification

If your ICS operation has not yet been inspected and certified by an accredited certification body, you will need to start the application process for organic certification in due time.

Usually the application for certification is started as soon as the organic project is somewhat defined and the first steps to set up an ICS have been taken. During the time between the application for certification and the set date for inspection there will probably still be some time to further refine and implement the ICS. However at the time of external inspection at least about 80% of the internal control should be ready. In some cases, it may be the best option to request a pre-inspection to evaluate the planned ICS before actually starting with all farm inspections.

The application process includes the following:

- Pre-select one or more organic certifiers (preferably with local inspectors in your region) to ask for more details. The certifier should have the international accreditation ISO 65, which is the recognition of his ability to certify according to clearly defined procedures. The choice of the certifier depends on the export markets and the requirements for certification according to the national rules (e.g., European Regulation 2092/91, USDA, NOP, JAS).
- Submit an overview description of the farms and the buying, processing, and export procedures (or your draft ICS manual if ready) and ask for an offer.
- You will receive some formal application documents plus information on inspection procedure, applicable standards, accreditation validity, etc.
- You have to choose an organic certifier that meets the expectations of your clients (the import market) and that seems a suitable cooperation partner for you. Compare the offers of different certifiers regarding costs and market access.
- Sign the offer and contract of the certifier you choose. A date for the first inspection will be agreed upon.

Discussion: Local certifiers vs. international certifiers

Discuss with participants the issue of whether a local certifier or an international certifier (possibly with local staff) would be the right choice for them. What are the advantages and disadvantages of each? Do they have any previous experience with certifiers? How did they choose their certifier? What do the clients say? It is important that the certification body is well-accepted on the market.
The external inspection

How to prepare for the inspection
Inspection needs to be well prepared in order to avoid time delay, which could result in higher costs:
• Define a person responsible for organization of the inspection and a person responsible for communication with the certifier.
• Inform all relevant personnel of the date of inspection and their responsibilities.
• Assure organization of the inspection schedule, information on the farmers, and accommodation for the inspector according to the indications of the certifier.
• Prepare all documents for internal inspection before the visit.

The actual external inspection
During the external inspection by the organic certifier, the effectiveness of the internal control system will be evaluated. The external inspector re-inspects a certain number of farmers. The percentage of external control will be determined by the certifier on the basis of a risk assessment and the requirements of the organic market (see comments at end of section).

The external inspection includes field visits and a review of the internal control documents. The inspector verifies if all necessary documents for each farmer are available, complete, and correct. Also (if relevant), the buying, processing, and export procedures and documentation of the organization are checked.

The external inspector compares his/her observations with the documents of the internal inspection and evaluates whether the internal control system, the internal inspections, and the farm extension fulfill the minimum requirements and are sufficient to guarantee that the organic activities correspond to the external regulations. He/she also tries to find out whether the activities are actually done as indicted in the procedures and the documents. He/she documents the results of the inspection on an inspection report form.

Motivation exercise: What will be checked in the external inspection?
Ask participants what they would check if they had to evaluate an ICS.

Focus of External Inspection

Re-Inspection of Farmers (Sample Inspections)

9. External Inspection
Certification & communication with certifier

Certification decision
Based on the results of the inspection, the certifier will decide if the organization will receive the certificate that enables it to market organic products or, if not, which conditions have to be fulfilled before the certificate can be issued. The result of certification and any conditions are communicated to the organization in a certification letter.

Follow-up on the conditions
In case corrective measures are required it is important to have procedures in place to ensure that they are communicated to the right people and are implemented in due time. Fulfillment of the conditions needs to be communicated to the certifier.

Communication with the certifier
In case of any questions regarding the fulfillment of the organic regulations (e.g., regarding the conformity of an input), the certifier can be addressed. But he must not give any advice (for example, regarding cultivation measures, export markets, etc.). This kind of information needs to be provided by an organic consultant.

The certifier must be informed if of any important changes (e.g., new recipes and ingredients to be approved), or if there is any doubt or suspicion regarding the organic quality of the product (mixing of qualities, contamination by de-certified farmer, etc.)

Remarks: Re-Inspection rate
At present different certifiers take different approaches regarding the re-inspection rate. Also, requirements of authorities differ. IFOAM has lobbied for many years for clear guidelines regarding re-inspection. The new proposed approach of the EU (EU guidance document group certification) sets the MINIMUM re-inspection rate to square root of number of farmers times risk factor (1.2 for medium risk, 1.4 for high risk) for organizations with well working ICS, but the actual re-inspection rate will still be determined by the certifier and may differ slightly according to target markets.

Further reading:
IFOAM Smallholder Group Certification – compilation of results