

### 8.3 *Group Certification*<sup>1</sup>

**8.3.1** Certification bodies that certify groups that use internal control systems shall have policies and procedures to verify compliance of the group and the individual group members. The policy and procedures shall at least comply with the following criteria.

#### **Scope**

**8.3.2** The certification body shall limit the scope of such systems to groups that fulfill the following criteria:

- a. the group shall be constituted of operations with similar production systems;<sup>2</sup>
- b. large farming units, processing units and traders shall not be included in the inspection arrangements for such groups and shall be inspected by the certification body in accordance with the requirements of 7.5.2. Simple processing and storage units may be included;
- c. group members shall be in geographic proximity;
- d. the group shall be large enough and have sufficient resources to support a viable internal control system that assures compliance of individual members with production standards in an objective and transparent manner;<sup>3</sup>
- e. the group shall have coordinated marketing.

#### **General Requirements**

**8.3.3** The policies and procedures for group certification systems shall require that at least:

- a. the certified entity shall be the group as a whole. This means that individual group members may not use the certification independently (by marketing as individual producers outside of the group);
- b. an effective and documented internal control system shall be in place;  
***Guidance:** The system shall include a documented management structure of the internal control system.*

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<sup>1</sup> **Explanatory Note Section 8.3:** This system of certification is evolving from the need to devise a system of control and certification of small farmer groups towards a system of combined internal and external control which in situations specified in 8.3.2 appear to be more appropriate than external control alone.

<sup>2</sup> **Explanatory Note 8.3.2a:** This criterion does not limit the arrangement to farmers. Other operations organized collectively may also be included provided the other criteria in 8.3.2 are met.

<sup>3</sup> **Explanatory Note 8.3.2d:** The criterion refers to the three factors that the size of the group should ensure – sufficient resources, transparency and impartiality. The certification body must determine whether the group is large enough to satisfy these factors.

- c. documented inspections of all group members for compliance with production standards shall be carried out by the internal control system at least annually.<sup>4</sup>

**8.3.4** The certification body shall require the management of the group to sign a written contract specifying the responsibilities of the group and of the internal control system. This shall include the requirement that the management obtain signed obligations from all group members to comply with the standards and to permit inspections.

**8.3.5** The certification body shall ensure that all group members have access to a copy of the standards or the relevant sections of standards presented in a way adapted to their language and knowledge.

**8.3.6** The certification body shall maintain and enforce a set of minimum requirements of the group.

*Guidance: The following are considered essential requirements, although a certification body may list additional requirements:*

- a. *there are competent personnel implementing the internal control system;*
- b. *the core documentation is complete, which includes:*
  - *appropriate maps/sketches,*
  - *a complete list of group members,*
  - *farm/field or processing records,*
  - *signed member agreements,*
  - *yield estimates;*
- c. *the internal inspection protocol is described and implemented;*
- d. *a monitored and documented conversion period is in place;*
- e. *a mechanism to remove non-compliant group members from the list is in place and executed;*
- f. *there are procedures to accept new members;*
- g. *risk assessment.*

### **External Inspection by the Certification Body**

**8.3.7** Annual (or more frequent) external inspections of the group shall be carried out by the certification body.

**8.3.8** The certification body shall assign inspectors who have had specific training on inspection of internal control systems or who can otherwise document competency in such inspection.

**8.3.9** The inspection visit shall include an assessment of the internal control system, of its effective application and of compliance with the standards.

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<sup>4</sup> **Explanatory Note 8.3.3c:** This does not mean that those personnel responsible for the internal control must have visited the individual at least once during the year - it means they must have done so with the specific purpose of checking compliance with standards.

**8.3.10** The inspection shall include an assessment of the risks to organic integrity within the group itself and the environment in which it functions.<sup>5</sup>

**8.3.11** Re-inspection of a sample of group members shall be undertaken to evaluate the effectiveness of the internal control system.

**8.3.12** The percentage of group members subject to re-inspection shall take into account the results of the risk assessment. The certification body shall specify how it determines the number of group members to be re-inspected.

***Guidance:** The IFOAM Accreditation Program accepts the ISO 62 Square root approach, which is based on a simple formula ( $x = \sqrt{y}$ ). The following table is derived from this approach. Note that these are minimum number of re-inspections. Additional inspections may be added and shall be added when necessary. Certification bodies shall have written rationale for other approaches to calculating re-inspection rate.*

**MINIMUM AMOUNT OF GROWERS TO BE INSPECTED BY EXTERNAL INSPECTORS**

Number of group members	Normal risk factor 1	Medium risk risk factor 1, 2	High risk risk factor 1, 4
<i>Minimum</i>	10	12	14
50	10	12	14
100	10	12	14
200	14	17	20
500	22	27	31
1000	32	38	44
2000	45	54	63
5000	71	85	99

*Certification bodies shall have written rationale for other approaches to calculating re-inspection rate*

**Evaluation of the Internal Control System**

**8.3.13** In evaluating the internal control system the certification body shall determine whether:

- a.** all internal control documentation is in place;
- b.** internal inspections of all group members have been carried out at least annually;

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<sup>5</sup> **Explanatory Note 8.3.10:** The risk assessment identifies the critical aspects to the functioning of the group, from farm level through processing, transporting, etc. that is under responsibility of the group. The critical aspects must be addressed by the internal standards and internal control system. Risk assessment within the internal standards and internal control system must be regularly updated in relation to each other. For further information reference is made to the IFOAM Guidance Manuals for Group Certification.

- c. new group members are only included after internal inspections, according to procedures agreed with the certification body;
- d. instances of non-compliance have been dealt with appropriately by the internal control and according to a documented system of sanctions;
- e. adequate records of inspections have been maintained by the internal control system;
- f. the group members understand the standards.

**8.3.14** Sample inspections (see 8.3.11) shall be carried out with the relevant documents from the internal control at hand, and the methods and results of the internal control shall be compared with the results of the inspection to determine whether the inspections of the internal control system have adequately addressed the compliance of operators. The certification body shall maintain records of sample inspections so as to ensure that over time the inspections are representative of the group as a whole and take into account any previously identified risk.

**8.3.15** The evaluation shall include (a) witness audit(s) of internal control inspections.<sup>6</sup>

### **Group Records**

**8.3.16** Certification bodies shall have a standardized form to be completed and updated by the group management.

***Guidance:** The form shall include identification, name, location (at least on an area map), year of entrance into the certification system, date of last internal and external inspection, number of hectares, cash crops, and yield estimates; in the case of processor type of processing.*

### **Responsibility and Sanctions**

**8.3.17** The certification body shall hold the group as a whole (the certified entity) responsible for compliance of all operators.

**8.3.18** The certification body shall have a clear sanctions policy in event of non-compliance by the group and/or its members. Failure of the internal control system to detect and act on non-compliances shall invoke sanctions on the group as a whole. This shall also include provisions for withdrawal of certification from the group where the internal control system has been found to be ineffective.

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<sup>6</sup> **Explanatory Note 8.3.15:** (A) witness audit(s) will depend on the size of the group and the number of internal inspectors.