

A Participatory Organic Guarantee System for India

**Final Report
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Finally, I know I speak for innumerable people across the continents that remember and are grateful for the exemplary pioneering efforts of Dr. Alexander Daniel. It was he who started this work, and I hope its completion has stayed true to his hopes and ideals for an alternative certification program for India's small organic farmers.

-Ron Khosla

Introduction

Organic producers around the world have been developing methods to guarantee the organic integrity of their products for fifty years. Today, what are generally referred to as *Third-Party Certification* systems have become the dominant means of Organic Guarantee for world trade and Indian producers have a number of respected and accredited Third-Party Organic Certification agencies to choose from.

While Third-Party Certification is an essential component to world trade, there are downsides to the system. The inherent expense and paperwork required in a multi-level system discourages most small organic producers from being certified at all. This limits local and domestic trade as well as access to organic products. Worse yet, it limits the growth of the Organic Movement as a whole.

Researchers have noted that the rapid increase in organic sales and certified acreage around the world is not matched by an equal rate of growth in the number of organic farms as might be expected. In Europe and much of the US, there is an ironic *decrease* in the number of certified producers even as total organic acreage and market sales continue to explode. (Eurostat's *Statistics in Focus, Agriculture and Fisheries, 31/2005* and *University of California, Davis*, pre-published report, 2006). The result? Big agribusiness farms are benefiting from certified organic status and market premiums more than the small-scale producers that could most use these benefits.

In an attempt to reduce the inequality of this trend, a number of alternative methods to guarantee the Organic integrity of products have been developed for small domestic producers, and they are growing rapidly. In 2004, a conference sponsored by MAELA and IFOAM was held in Brazil. Representatives from over 20 countries presented on the "alternative" certification systems that have been developed. Thousands of small-scale producers now associate themselves with these alternatives programs, which are now collectively referred to as *Participatory Guarantee Systems* (PGS).

The Ministry of Agriculture, Government of India and FAO have undertaken a technical cooperation program for promotion of organic agriculture. One of the important components of this program is to explore and develop PGS as a means of Organic Guarantee for products *produced and consumed within India*.

The first PGS model for India was developed based on existing models around the world. It especially borrowed and built on the strengths of existing successful PGS programs in Brazil, New Zealand and the United States. The first draft of the synthesized Indian program was completed in May 2006 when it was sent to various stakeholder NGOs and the Ministry of Agriculture for feedback and comments.

In June of 2006 onsite visits were undertaken to get more feedback and suggestions from both NGO's and directly from farmers (see Appendix 6). This resulted in improvements to the program which were again sent for feedback in August, 2006.

In September, a 3 day workshop was organized with 30 committed stakeholder NGO's, officials of the Ministry of Agriculture, Planning Commission and FAO in cooperation with OFAI (Organic Farming Association of India). This successful workshop clearly identified the need for PGS in India and made further improvements to the earlier "PGS in India" proposal. The highlight of the workshop is that 14 organizations volunteered to steer ahead with the trial process of PGS in their respective areas spread across the country. A coordinated effort between these organizations and sharing of experience is likely to result in the final framework for PGS in India.

An important development in the workshop was the realization that Participatory Guarantee Systems do not need to be based on a new effort. Rather they can *compliment*, and in many cases be overlaid onto existing organic efforts including farmer field schools and self-help groups.

As has been demonstrated in other parts of the world, Participatory Guarantee Systems offer a way for India to credibly certify, support and encourage millions of small farmers into an organic system of production, strengthening the social, environmental and agricultural fabric of rural India.

-Ron Khosla
FAO International Consultant on Organic Certification Systems
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Acronyms

APEDA	Agriculture and Processed Food Products Export Development Authority
CNG	Certified Naturally Grown
FAO	Food and Agriculture Organization of the United Nations
ICS	Internal Control System
IFOAM	International Federation of Organic Agricultural Movements
MAELA	Latin American Agroecology Movement
NCC	National Coordinating Committee
NPOP	National Programme for Organic Production
OFAI	Organic Farming Association of India
PGS	Participatory Guarantee System

Background

1.1 Organic Production

Much of Indian agriculture is carried out under “default organic” management, which simply means the farmers have no access to chemical fertilizers, pesticides or other organically prohibited amendments for financial and other reasons.

The problem is that default organic farmers never made a choice to be organic. There is no guarantee, no pledge and, in fact, no reason that these farmers won't start using unsustainable chemical pesticides, fertilizers and GMO's as soon as they gain access to them. Without knowledge of sustainable chemical-free alternatives and the damage that these toxic materials can cause to their land and health, farmers will undoubtedly embrace “easy” solutions to longstanding problems of fertility insects and disease.

An effective Organic Guarantee System for India needs to address the issue of **educating farmers** as to the depth of what it means to be truly organic so that they can make a *choice* to farm organically or not. Such a guarantee needs to be **affordable** and easily **accessible**. It also needs to be as **inclusive** as possible so that every farmer that wants to make an informed, educated choice to be organic can do so and know that they are part of an important worldwide movement in agriculture today.

1.2 Organic Marketing

From a market perspective, there is a huge and growing demand for Organic food and products internationally and this is mirrored in India's domestic market. But consumers (and therefore traders) want some surety that the products they buy are truly Organic. While few urban consumers may understand or appreciate the importance of sustainable agriculture, in increasing numbers they are very aware of the harmful effects of toxic chemicals and would prefer to purchase products they know are guaranteed not to be sprayed. For the domestic market to really take off, India needs to provide credible proof to consumers and traders that the products they buy are really organic.

1.3 “Third-Party” Organic Certification and the need for PGS

An Internationally accepted system of “Third-Party” Organic Certification has evolved as the dominant means of organic guarantee for world trade. It has been an excellent facilitator in this regard, providing a system of legal liability protection to distributors, processors and retailers around the world. Through APEDA, India's harmonization with EU Organic Standards is something to be celebrated and is certainly helping to expand the nation's nascent organic export market.

Third-Party Certification is based on providing an audit trail through every step of production – from purchase of seed to sale of the crop. This is a very expensive process both in direct costs (Individual Organic certification on small farms may cost more per acre than the sale of the crops) and in time. The paperwork is extremely

complicated, and although impressive systems of Group Certification using Internal Control Systems (ICS) have reduced both cost and paperwork for individual farmers these systems are far from perfect. Culturally inappropriate standards and requirements leave both farmers and certifiers scratching their heads to come up with some way to “make it look good on paper” and since it is still a paperwork based auditing system, outside facilitation is often still required even years after initial certification. More discouraging is the “common point of sale” requirement which disempowers farmers in the marketplace by making it difficult or impossible for farmers to change to a buyer offering a fairer price for their goods, much less allow for individual farmers to sell their products to local consumers. Even if they were allowed to individually sell to local consumers, it is difficult to imagine the certification costs being absorbed by low-income local consumers.

Paperwork-heavy auditing requirements of third party certification also unintentionally discourage small-scale, diversified production, ironically encouraging larger scale production of very few crops. This is simply because a small farm family growing 20 different crops on 4 hectares has to maintain far more paperwork than a huge corporation managing 4000 hectares growing only one crop.

Most importantly, Third-Party Certification is, by design, solely a marketing label created to give a marketing advantage for farmers that are able to meet the financial and paperwork requirements necessary for that system of certification. These two barriers to entry (money and paperwork) have absolutely nothing to do with organic growing practices on the farm. The best organic farmers may not be able to overcome these hurdles, and as a result, Third-Party Certification is actually stifling the organic movement in India as only a fraction of a percent of farms in India are certified.

While this type of certification is difficult for the average farmer, we must not forget the job of the Certification agency is more difficult! It takes considerable time, expense and training to review applications and conduct external audits in accordance with international requirements. The result is that, given the current number of NPOP (National Programme for Organic Production) approved Certifiers in India, the amount of acreage that can be certified in a given year is a just the smallest fraction of the potential that exists in India (even assuming that farmers *could* afford or manage their own paperwork, which they often can not)

Third-Party Organic Certification has an essential place in Organic agriculture – especially as it relates to international trade; but Participatory Guarantee Systems offer a needed parallel and complementary system of organic guarantee that builds the organic movement, educates farmers and consumers and grows the domestic market (and provides greater market access) for organic produce. In fact, such a parallel domestic certification system will end up facilitating the growth of Third-Party Certified farms in India; strengthening and increasing India’s place as an Organic exporter.

Factors for Success

Indian Participatory Organic Guarantee System

2.1 Low Direct Cost

The program must be affordable to small farming families that may do a very small amount of cash sales.

2.2 Minimal Paperwork

Individual Third-Party Certification systems require an enormous amount of record keeping to track produce from the purchase of the seed to sale of the final crop. Because this paperwork is maintained by the farmer, it results in a huge burden on the farmer and actually does little to add to the credibility of the guarantee system because a dishonest farmer simply won't record when they are cheating. PGS Programs generally rely on a shorter Pledge/Affidavit/Declaration.

A September 2005 survey by Certified Naturally Grown of USDA Certified Organic farmers in New York State recorded nearly 100% of small diversified farmers admitting to providing inaccurate information in their Organic recordkeeping requirements. They were not necessarily using prohibited materials, but felt it was too difficult to honestly keep up with the Organic paperwork demanded of a diversified small farm. Instead they provided fake information to finish more quickly.

2.3 Regionally Appropriate

There are minor but significant differences in Organic Standards between Europe and the United States. With its vastly different climate and geography, India also should be expected to have minor (but significant!) differences not only from European Standards, but also possibly between the regions of India.

The United States may soon take a similar step in differentiating organic standards in livestock production between wet and dry/north and south regions of the country. It's not always ecologically or socially appropriate to make a carbon copy of an international organic standard. Regional groups need flexibility as long as Basic Requirements are adhered to.

2.4 Peer Appraisals instead of Professional Third-Party Inspections

To reduce costs, but also to promote the interchange of sharing, capacity building and mutual support, there are no Third-Party inspections. Successful PGS programs around the world rely on a system of formalized and scripted "group appraisals" carried out by other farmers in the **Local Group**.

Local advisors or respected persons may also be involved in the appraisal process to provide an external reference point or verification of their group appraisal process. In the Brazilian system, for example, because of the close involvement of the Catholic Church in the PGS program there, a Catholic Priest is often present at farm appraisals.

2.5 Farmers, Regional Groups, NGO's and other Support Organizations in a Horizontal Network without hierarchies

This is essential to building the Organic movement and to encourage the grassroots growth of independent regional groups. Around the world, the most solid PGS programs are the ones that include this fundamental principle of horizontal networks. Still, it is one of the hardest things to understand about successful Participatory Guarantee System.

The Ecovida Network in Brazil includes 12,000 people organized into 270 groups, associations and cooperatives all working to maintain a shared PGS Brand and Label. Interestingly, the Ecovida Network itself is actually a completely informal network with no legal representation. The informal structure of the network allows and encourages the creation and inclusion of new regional groups who share the vision of importance of Participatory Guarantee System for small farmers and meet the criteria.

2.6 Building a Movement

Existing Third-Party Certification systems were created as much to provide downstream legal protection for processors, wholesalers and other traders as to provide a credible organic guarantee. This was done to facilitate trade, and obviously it's working well in that regard. A Participatory Guarantee System then does not need to copy what is already being done successfully.

Instead, PGS programs are designed to encourage growth of the Organic Movement as a whole. As a result, they function as a necessary compliment to Third-Party certification schemes. When a PGS loses sight of this essential founding principle, the result can be the appearance of competition between the two systems, and everybody loses.

Inclusive, movement-building PGS programs could not easily exist without the market driven Third-Party Certification programs... and Third-Party programs may ultimately degrade into an empty marketing label unless there is a strong movement of committed and ideals driven small farmers to back it up.

PGS programs adhere to the strictest Organic Standards, but the *process* of certification itself must be designed with minimum barriers to entry. To help maintain the highest level of organic integrity of farm products, PGS programs take full advantage of the farmer-to-farmer networks that are central to provide support and education. Many instances of cheating can be stopped before they begin by

making sure the farmer has a solid support network for information and problem solving.

2.7 Credible Organic Guarantee

If we can not provide a credible organic guarantee both to consumers and member farmers, then there is no point having the label at all. To this end, PGS Programs offer a process and steps to certification that are **consistent, transparent**, and end in a **recognizable label**. It is also essential that the PGS program take steps to ensure **Government Support and Recognition**.

2.8 Mutual Recognition and Support between Regional PGS Groups

PGS Programs are created for small farmers who generally sell directly and locally, but with a system of Mutual Recognition and support between regional groups. This allows small farmers across the wider network to support each other in cooperative processing and marketing opportunities that would be too large for a single family or Local Group. By working together, they also find strength in numbers and give more credibility to the program as a whole.

There are already local labels being created independently, but a single strongly supported national PGS label will do much more for India's Organic movement as a whole.

2.9 Subtext of training and support built into the system

Because they are in control, farmers are naturally more invested in supporting and advising each other to maintain the integrity of the group as a whole. The PGS reliance on peer appraisals further facilitates the sharing of information, creating a grassroots support network that the farmer can turn to when they have problems, thereby providing an immediate source of technical and moral support for farmers that might otherwise feel tempted or see no other option than to use prohibited substances. Local Groups can also easily coordinate variety trials and growing techniques to find what is most effective in their locale.

Indian NGO's and some state agencies have already implemented extraordinarily effective grower networks that incorporate peer support, education and training. It is especially easy to incorporate a PGS program into those existing groups.

2.10 Empowers the farmer with increased capacity building

Unlike Third-Party Certification systems, which are designed solely to provide a credible marketing label, PGS programs are first concerned with building the organic movement and farmers' capacity through ongoing field trainings, peer networks, and capacity building by putting them in charge.

There is no questions of small farmers being forced to comply with arbitrary additional rules of production, buffer requirements, reporting, and sometimes even limited market access (in Group Certification protocols) created by third party certifiers who add inappropriate compliance requirements not included in the either international organic standards or the Indian National Organic standards.

One very committed group of small farmers in India saw their numbers plummet from 130 certified farmers one year to only 60 the next year because of a technicality created by the certifier which was NOT a part of international certification norms.

2.11 Empowers the farmer through increased marketing opportunities

Small farmers that can turn to Third Party Group Certification/ICS programs have a significant limitation in the additional requirement of a “common point of sale.” This means that an individual farmer in the group can not take advantage of a better marketing opportunity with a competing buyer, and depending on the circumstances the whole group of farmers may find it very difficult to switch from one buyer to another.

Often, Group Certification is underwritten by an export-oriented buyer who has undertaken certification solely for their own profit and interest and tries to cut certification costs anyway they can. Farmers may be surprised to learn that ONLY their cotton is certified organic for example, and not the wheat, pulses or vegetables which only have local market value and so are of no interest to the Export Buyer. This discourages the more sustainable diversified cropping systems and unnecessarily limits the farmer’s marketing opportunities.

Participatory Guarantee Systems certifies all crops grown organically on the farm and provides each farmer with an individual certificate so that they can take advantage of whatever marketing opportunities become available.

A strong PGS program can easily transition into a Third-Party Certified Internal Control System to take advantage of international marketing opportunities in Organic trade.

2.12 Inclusive of New and In-Conversion Organic Farmers

New Organic farmers that have embraced organic growing practices but the land that they are farming has not yet been free of prohibited chemicals for the prescribed 36 months are the ones most in need of the supportive network and capacity building that a Participatory Guarantee System provides.

This is very much in line with the goal of building the Organic Movement that is a stated objective of PGS programs globally. In Conversion farmers may have different

colored certificates or logos or they may have a notation to the effect of their transitioning status attached to their certificate

2.13 Millions of Acres, Millions of Farms

Finally, PGS programs can bring much greater numbers of farmers into Certified Organic status than is practically possible due to the administrative overhead inherent in Third-Party Certification including ICS/Group Certification schemes.

Roles and Responsibilities of Key Groups

Around the world, successful Participatory Guarantee Systems have carefully managed to flatten power hierarchies between the organizational groups necessary to administer a coordinated national PGS program. While responsibilities (and organizational complexity) are clearly different for each group listed below, no one group has enough control to dominate the process as whole. The specifics of this balancing act are covered below.

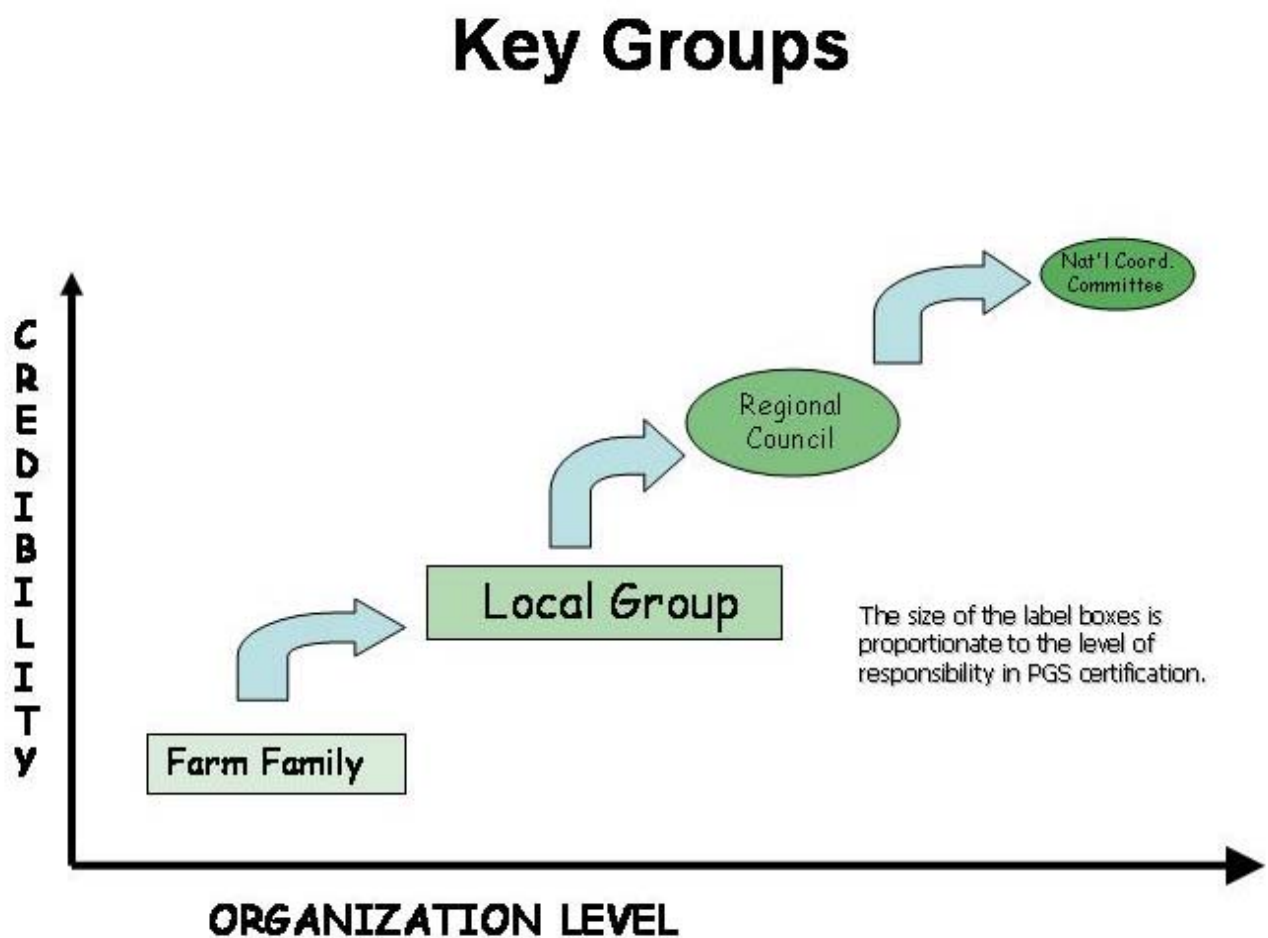


Fig 3.1 Key Groups

3.1 Farm Family

- a. Develop an understanding of the Organic standards
- b. Make sure their farm practices are compliant
- c. Make a Pledge that they understand and adhere to the Organic Standards
- d. Participate in appraisals/inspections of other farms in the **Local Group**
- e. Participate in key field day trainings (as identified by the **Regional Council**)

- f. Attend Local Group meetings and advise neighbors, share information and improve the capacity of the group as a whole
- g. Allow consumer/buyer visits of the property (at non-interfering times)
- h. Advise neighbors, share information, improve capacity of the group as a whole

3.2 Local Group

These are the farmers (and open to consumers) that live in the same village or close villages and interact regularly with each other. This is the real core of the Participatory Guarantee System. This can be a new **grassroots group** started and run by interested local farmers/consumers, or it can be started by a **regional NGO or government agency** that has agreed to facilitate the formation of a PGS Local Group by coaching an initial group of farmers through the process. The PGS Local Group function is even easier to add on to an existing group of farmers (for example Farmer Self-Help Groups or Farmer Cooperatives or Societies.)

- a. The Local Group provides the first contact point on organic and PGS Certification requirements for interest farmers and “grapevine communication” from the *Regional Council* (explained in #3 below).
- b. Coordinates and sign-off on appraisals/inspections. At least 3 people from the Local Group must be present and sign off on each appraisal.

In New Zealand local groups are called Pods and all members of the pod should try to be present at each on-site audit. In Brazil as well, there are participation requirements and consequences if farmers are consistently absent. In a PGS, participation is not optional.

- c. Ultimately the Local Group members are the core Support Network for each other in terms of advising on farming problems, group research projects and other actual production support. Members of the Local Group take responsibility for each other.
- d. Decide which farmers are to be certified for the year
- e. Take action on defaults/non-compliance as per sanction guidelines provided by the Regional Council

Not all members of a Local Group are necessarily certified organic. Some farmers may not meet the requirements but still joined the local group to learn more about organic farming. There may also be non-compliant farmers who were certified and are now temporarily suspended. In addition, consumers may join a Local Group and may participate in Appraisal/audits and support local marketing efforts.

- f. Collate the Pledge and Application/Appraisal Report for each farmer,
- g. Provide the Regional Council with an End-Of-Year report estimating final acreage totals per crop and quantities of the various crops harvested.

- h. Agree on a Local Group Leader(s)/Representative to be primary contact point with Regional Council and with final responsibility for collating the “Organic Guarantee” paperwork for each farmer and the Summary Worksheet (see Appendix 5) for the group as a whole.

New Local and Regional groups do not need to be created to implement a PGS. The responsibilities of a Local Group can efficiently be handled by existing Farmer Self-Help groups or Farmer Field School groups for example. The functions of the Regional Council can easily be handled by an existing NGO working with organic farmers in the area.

Conversely, new groups initiated to meet PGS requirements provide solid foundations for Self-Help Groups or possibly even a new grassroots run NGO.

3.3 Regional Council

Generally started and coordinated by an existing NGO or state agency, but ultimately Local Groups are empowered to form together into their own separate Regional Councils independent of existing external support.

- a. Successful completion of training workshops as organized by the National Coordinating Committee for Regional Councils
- b. Register with the NCC for paperwork, procedures and an allocated range of certification ID's
- c. Translate and print PGS paperwork into the local language
- d. Training and Support to existing and new Local Groups in procedures, and paperwork necessary for each farmer's "Organic Guarantee"
- e. Confirms that the Local Group Summary Worksheet listing all the farms that are to be Certified Organic is complete and was conscientiously maintained
- f. Can NOT pick and choose individual farmers to certify, only makes a decision about the work of the Local Group as a whole
- g. Issues and activates ID number to each approved Local Group (received from the instant ID Pool maintained by the NCC)
- h. Prints and distributes annual Organic Certificates for individual farmers
- i. Participates in sampling of Local Group farm appraisals
- j. Provides Local Groups with guidelines for "Non-compliance Sanctions"
- k. Participates in an online or offline system to provide Summary Worksheet information to interested parties and helps to connect interested parties with the Local Groups for access to individual farmers' Organic Guarantee
 - i. To ensure complete transparency of the certification process
 - ii. To facilitate Mutual Recognition and Support for the various groups (and individual farmers) on a national level by allowing Regional Councils to audit the Organic Guarantee of certified farms in other Regional Councils
- iii. To quickly build trust and credibility in the system as a whole by providing access to members of the public and media

- l. Outreach, inclusion and information to local consumers and consumer groups. Regional Level Marketing (district level farmer's market, consumer coop, schools, festivals, etc)
- m. May apply for a voting seat on the NCC after one year of successful functioning.
- n. Hosts on-going field days on standards and compliance at the Local Group level at key stages of planting, cultivation and harvesting of crops (this may vary based on the capacity of the Local Group, and the decision of how many field-days are held is left to the Regional Councils to decide.)

Regional Councils appear to have a lot of control over the farmers in a Local Group, but there is an important check on their power. Local Groups frustrated with excessive control, fees or additional paperwork requirements from their existing Regional Council can, at any time, come together to form a new Regional Council with full representation at the national level. They need only prove to the NCC (see below) that they have the capacity to carry out the administrative and organizational functions required of a Regional Council as outlined above.

3.4 National Coordinating Committee.

The group functioning as the National Coordinating Committee consists of a representative from the Ministry of Agriculture, Consumer Groups, appropriate NGOs *and most importantly, an unlimited number of qualified Regional Council Groups after 1-2 years. For the first 1-2 years it is recommended that the NCC more carefully and actively decide who will be a Regional Council to ensure a solid start to the program.*

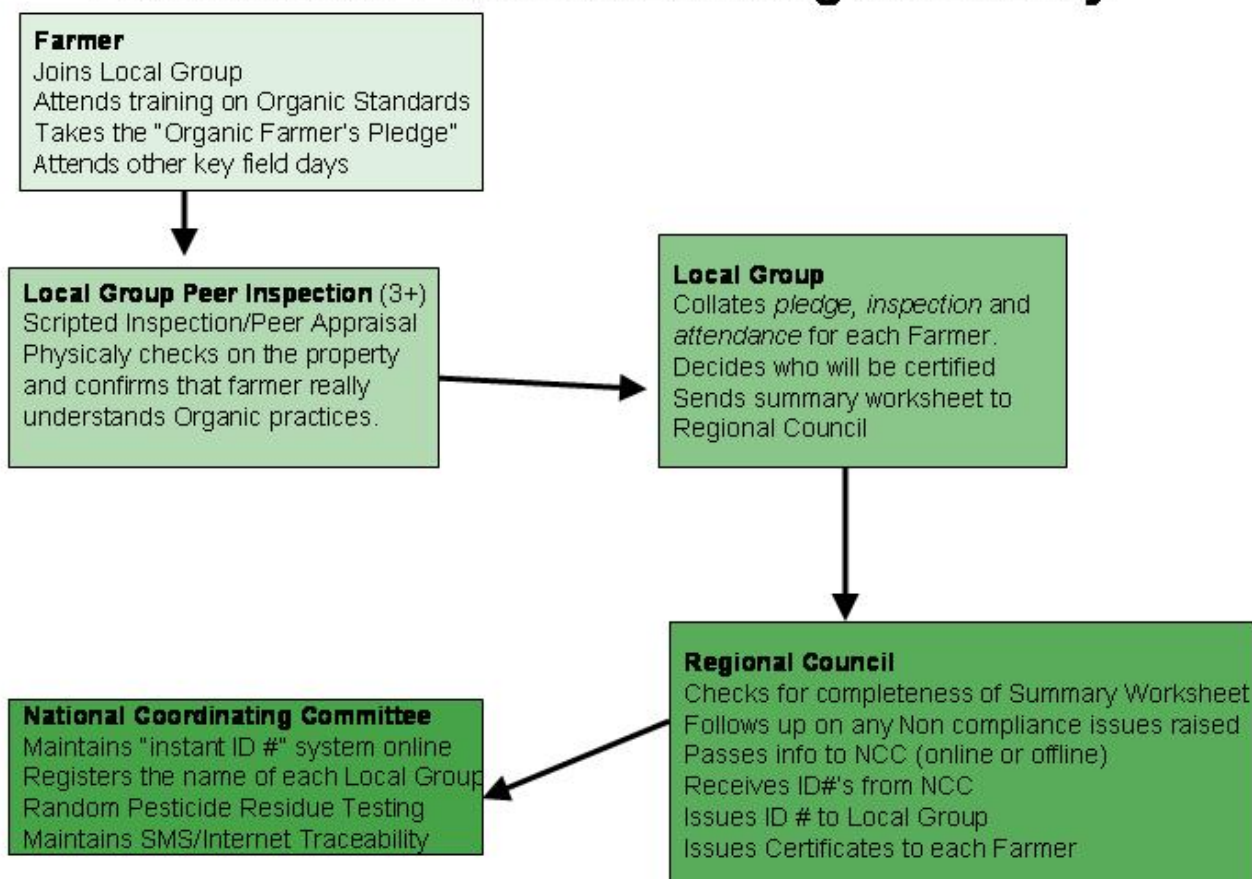
- a. Coordinate Regional Council Training Workshops
- b. Approve/Accredit new Regional Councils (based on a peer-review process between existing regional councils)
- c. Provide appropriate and updated documents and policies for the "Organic Guarantee" documents (Pledge, Summary Standard, Peer Appraisal)
- d. Maintain and update the "Basic Organic Standard" based on the *production criteria* of the NPOP. (May have listed exceptions)
- e. Maintain instant database pool of identification numbers for Regional Councils to use when issuing id's to Local Groups and farmers
- f. Make changes, improvements and amendments to the program and national coordination as a whole without interference in the autonomic functioning of Regional and Local group structures and processes.
- g. Coordinate national level education, outreach and marketing about Organic and the program itself to consumers and the media.
- h. Maintain SMS and Internet traceability and database for all Local Groups and Processors.

- i. Facilitates and maintains a positive relationship with APEDA and Third-Party Certification agencies, which helps to link Local Groups to global markets through Group Certification and 3rd party ICS programs
 - j. Coordinate random sample pesticide residue testing.
 - k. Possibly (at a later date) form state level Coordinating Committees as appropriate or necessary
 - l. Include consumer and on-voting buyer groups in NCC
 - m. Seek funding from Government/other to provide services to Regional Council
-

Steps to Certification

Indian Participatory Organic Guarantee Program

Certification Process: Building Credibility



(Step 1) Individual farmer hears or reads a summary of organic standards and signs a pledge that he is willing to adhere to said standards.

(Step 2) The farmer is inspected by a group of peers from the Local Group. A minimum of three (but groups may specify more) peer inspectors must be present to **sign and validate** the Appraisal form, and an external advisor or respected person may or may not be necessary.

To ensure consistent (i.e. complete but not overly zealous) appraisals, all appraisals are *scripted* and include both physical checks of various parts of the farm and more importantly, questions to make sure that the applying farmers understand the Organic Standards they are agreeing to.

One literate member of the appraisal group makes sure that every point in the appraisal script is completed and checked off. At the end, all inspectors present must sign off as supporting references and endorse the farmer's Organic Guarantee.

(Step 3) A decision is made by the Local Group as a whole about which farmers will and won't be certified in a given year. Those Farmers' Pledges and endorsed Appraisal paperwork are checked for completeness and a **Local Group Summary Worksheet** is created and sent to the **Regional Council**.

*If a farmer has satisfactorily completed the 3 main requirements of being certified (**Attendance** at field-trainings, Farmer's **Pledge** and **Peer Appraisal**) they will most likely be certified. PGS is an inclusive system based on trust. This is different from a Third Party system where the farmer has to convince the certifier of her "innocence" with huge amounts of paper "proof" as to her organic integrity. For illiterate farmers (or even literate farmers) paper proof is NOT a credible way to ensure organic integrity because farmers obviously don't record intentional or accidental non-compliances.*

In a small village, neighboring farmers know what happens on each others farms, and these are the same neighbors empowered to make a final decision as to who is and isn't certified. A non-compliance by one farmer could influence the certification status of the group as a whole, so for that reason (among others) neighboring farmers are more likely to:

- a) Deny certification to farmers known to be cheating*
- b) Proactively share knowledge, materials and moral support with a struggling farmer so they don't feel they have to resort to prohibited substances*
- c) Immediately apply reasonable sanctions to farmers for a non-compliance (for example temporary suspension of Certified Organic status but the farmer is still included in the Local Group)*

Note that the Regional Council does *not* make a decision to include or not include specific farmers based on the information provided. They can only sanction or not sanction the certification of the Local Group as a whole.

One example where this might apply would be if the Regional Council has a concern about Farmer X (for example because of a random pesticide residue test result (see below) but the Local Group continues to list that farmer as Certified Organic with no sanctions and no explanation, the Regional Council may rightly be concerned and withhold certification of all farmers in the Local Group.

Another example could be that the Regional Council feels that some individual farmers' Peer Appraisals were faked or handled in a sloppy fashion. While the Regional Council can not hold-up the certification status of those specific farms, they can and SHOULD withhold certification from the Local Group as a whole.

There is evidence that the power of local social control is far greater than that wielded by trained Third-Party inspectors who are outsiders, and further visit only a few hours in a given year.

(Step 4) The Regional Council enters summary information for every local group into a national publicly available database and sends a paper certificate certifying *the*

individual farm. Each farmer's certificate has an individual identification number that includes codes for both the Local Group and the Regional Council.

Although the individual farmer is part of a GROUP certification process, the Organic Certificate and identification number is given to them individually. Unlike with Third Party Group Certification, there is no requirement of common point of sale, and the farmer may sell to whomsoever they wish separately from the group.

For sales that are not local and direct to consumers, a system to maintain integrity through the chain of custody as well as to give consumers more confidence and immediate feedback about batches requires that the *code number for each Local Group* appears on every bag/batch shipped through non-direct sales channels.

An interactive cell phone SMS system provides information on the **name** and **locale** of the Local Group, and that **yes** (or **no**) that they are an approved PGS Organic group for this year, perhaps even noting the list of main shipped crops. On the internet, the Local Group identification number allows even more detailed information including how many farmers, names of farmers, exact location as well as acres and estimates of production scale for the previous year for various crops.

In the United States, the national database is available on the internet. This unprecedented level of transparency and access to each farmer's certification records was essential to gaining support and acceptance for the program from other NGO's and some levels of government. It also resulted in positive support from the media. Interestingly, very few consumers ever bother to access information on any individual farmer, it is the fact that they CAN access the information and the complete transparency that such a system provides that has encouraged consumer trust.

Maintaining the information in a central and available location also makes it easy for Regional Councils (as well as the National Coordinating Committee) to see that other Groups and Councils are sticking to the protocols, thereby maintaining harmony and ensuring long-term mutual recognition at a National level.

(Step 5) A small percentage of farms are randomly selected for random pesticide residue testing each year and the results may impact the Certification status of the Local Group as a whole.

Pesticide Residue testing is coordinated by the National Coordinating Committee, but it is the Regional Council and the Local Group that decide what to do about a positive result. The Regional Council provides Local Groups with non-compliance guidelines, but can not apply those guidelines to an individual farmer. ONLY the Local Group can sanction on the individual farmers. The Regional Council can only suspend the certification of the entire Local Group.

Summary of Organic Standards Based on Indian National Standards for Organic Products

1. Synthetic chemical fertilizers are prohibited.
2. Only organic fertilizers may be used and can utilize animal wastes, plant residues, green crops and mineral inputs.
3. Synthetic chemical pesticides and herbicides are prohibited.
4. The use of botanical pesticides and approved raw minerals is allowed.
5. Farming equipment used for conventional farming must be cleaned before use on an organic farm
6. Bags and containers used to harvest and transport organic product must be clean and clearly labeled 'organic only' and should not have been used to store non-organic crops
7. All GMO's are prohibited.
8. Farmers must have measures in place to stop erosion.
9. Burning of green material and crop residues should be minimized.
10. Livestock must be treated in a humane way.
11. The conversion period to full organic production is 36 months from the last documented use of a prohibited input. Other farms may be certified as "Transitional"
12. Each farmer maintains regular attendance in the PGS Organic meetings of their Local Group.
13. Each farmer must take an Organic Pledge.
14. Each farmer must have successfully completed a peer-appraisal of at least one other farm, and have had a successful peer review of their own farm.

This is NOT a final document, but an drafted example based on "Summary of Organic Standards" documents from other PGS programs globally. This example includes changes and suggestions made by participants of the 2006 PGS Workshop in Goa, India.

*This is also not meant to be a complete organic standard for PGS in India; it is just a **summary** of key elements in Organic Production to make it easier for farmers and facilitators to understand the basic elements of organic production in one page. PGS Certified Organic production methods are based on production methods listed in the existing Indian national standard (though the NCC may decide to have a limited number of specific exceptions).*

Organic Farmer's Pledge

I PROMISE THAT IN MY FARMING I WILL follow the organic standards to serve soil health, the environment my family and community.

1. I will not use synthetic pesticides such as insecticides, herbicides, fungicides, fertilizers, chemically treated or genetically modified seeds.
2. I will work with our fellow farmers and attend meetings to expand and share my knowledge of the standards and organic production techniques.
3. I will check with the Local Group before using any product that I am unsure of.
4. I will work to build the soil through ecologically sustainable farming practices such as crop rotations, composting, cover crops and green manures.
5. I will care for my livestock in ways that ensures their well-being.
6. I will only use bags and containers that are clean and clearly labeled 'organic only' to harvest, transport and sell our organic products.
7. I will work to prevent contamination by suitable buffers and other means.
8. I will encourage biodiversity through my farming system.
9. I will sell products as Organic only when they are grown on certified land, and have been grown in accordance with organic practices.
10. I will ensure that on the farm during storage, processing, transport and sale there is no contamination or mixing of organically grown with non-organically grown produce.
11. I accept the decision of the Local Group in regards to my certification status.
12. I will participate in appraisals on other farms as per group norms.
13. I will report even minor or unintentional non-compliances to the organic standards on my farm to my Local Group

All information I have provided on the application and during my farm appraisal is correct and accurate, and I will keep my information up to date with any changes.

Printed Farmer Name(s) [Note: all decision making parties on the farm must sign]

Signature(s)/Thumb Impression

Date

Local Group ID#

Printed Name of Witness(es)

Witness(es) Signature/Thumb Impression

Date

Witness Contact information

This is not a final document, but a drafted example based on "Farmer's Pledge" documents from other PGS programs globally. This example includes changes and suggestions made by participants of the 2006 PGS Workshop in Goa, India.

Appendix 3

Peer Inspection/Appraisal Worksheet

This worksheet is designed so that a "No" answer is a point of concern. Please be sure to explain "no" answers more completely in the space provided on the last page.

Applicant Details

1	Farmer Names (Include all family members who are actively involved in the farm operation [<i>*decision makers in the farm operation?</i>])		
2	Is the farm owner/manager(s) present during the inspection? (If not, this inspection can not proceed).	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
3	Contact Address:		
4	Local Group Name/Number		
5	Regional Council Name/Number		
6	Inspection Type	<input type="checkbox"/> New <input type="checkbox"/> Ren- ewal	<input type="checkbox"/> Con- version
7	What is the farmers' relationship with the land	<input type="checkbox"/> Own <input type="checkbox"/> Lease	<input type="checkbox"/> Share- Crop

Background Information

8	Is the farmer sure that prohibited chemical fertilizers, pesticides, herbicides or fungicides have not been used on the land 36 months before the next harvest? (Check N/A for conversion properties).	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
9	Can the farmer tell you how he checks to see if an input is approved or not for organic practices?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
10	Where did the farmer learn about Organic Farming?		
11	What are the main reasons the farmer wants to grow organically?		
12	Can the farmer show you a summarized form of the organic standards and practices? [<i>*Pictoral?</i>]	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No

Crop Production Details

13	What are the total number of plots that are being farmed?	
14	What is the area of each plot?	
15	What is the total area being farmed?	
16	How big is the area the farmer wants to certify as organic?	
17	How big is the area the farmer wants to certify as "in conversion" to organic	
18	How big is the area that will still be farmed conventionally (parallel production)?	
??	For parallel production properties, has the farmer provided you with a map of the farm clearly showing which areas are in organic production, which areas are still being farmed conventionally	<input type="checkbox"/> Yes <input type="checkbox"/> N/A <input type="checkbox"/> No

19	List the primary crops grown for market and home use. Attach a separate sheet if necessary. List crops grown under organic, conventional and NPM systems <u>twice</u> with relevant information specific to each cropping system (for example 5 acres organic cotton, 5 acres NPM cotton).				
	<i>Name of Crop</i>	<i>Area (or number of plants)</i>	<i>Home/Market/Mixed use</i>	<i>Estimated yield</i>	Management <i>(organic/conventional/NPM)</i>

Seeds and Transplants

xx	Does the farmer use organic seeds when available?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
20	Is the farmer sure that the seeds they grow are NOT Genetically Modified?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
21	Is the farmer sure that the seeds they plant are NOT treated with a prohibited substance (OR if they are chemically treated, do they make sure to wash the seeds before planting). <i>[*TO DISCUSS: This is not allowed under current IFOAM/India/EU/US Organic standards]</i>	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
??	<u><i>This question is applicable to annual crops only</i></u> If the farmer buys transplants/planting stock, do they make sure they are organically grown -- OR-- do they have permission to use non-Organically grown transplants from their Regional Council?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No

General Soil Health

22	How many instances of soil erosion do you see as you walk around the farm?		
23	Can the farmer describe what they will do to minimize soil erosion next year?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
24	Does they farmer understand the importance of crop rotations and do they use them?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
25	Do the crops look healthy?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No

25	<i>List the main rotations system and indicate which ones can be seen right now.</i> Include intercropping systems		

Natural Resources

26	Is the farmer aware of the importance of biological diversity in farming?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
27	Do you see examples where the farmer is encouraging biological diversity and wildlife habitat where practical (for example leaving hedge areas between fields and planting strips of beneficial plants?)	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
28	<i>Through observation and discussion with the farmer, please list ways the farmer is encouraging biological diversity in the farm and cropping systems.</i>		
29	Does the farmer have a clear understanding of the importance of conserving water resources	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
30	If crop residues are burned, is the burning used only when absolutely necessary (<i>for example to suppress disease or for ratoon crops like sugarcane</i>)?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No

Nutrient Management and Inputs Relating to Soil Fertility

31	Check the items below which the farmer lists as important components of their nutrient and fertility management		
	<i>Green Manures</i>	<i>Crop Rotation</i>	<i>Cover Crops</i>
	<i>Intercropping</i>	<i>On-farm manure</i>	<i>Foliar applications</i>
	<i>Compost</i>	<i>Soil amendments</i>	<i>Off Farm Manure</i>
	<i>Bio-dynamic preparations</i>		<i>Vermiculture</i>
	<i>Incorporation of Plant Residues</i>		<i>Mulching</i>
	<i>Purchase Prepared Organic Compounds Preparations</i>		<i>Microbial</i>
	<u><i>Other (please describe below)</i></u>		

32	<p>Have the farmer list the external fertility inputs used. <i>If you don't know whether or not the input is approved for organic use, put a ? in the space provided and list the input and label/ingredient information on the last page of this inspection worksheet so that it can be easily reviewed later.</i></p>				
	<i>Input name and description</i>	<i>Crops on which it's used</i>	<i>Application Rate (amt +times applied)</i>	<i>Source</i>	<i>Organically Approved ?</i>

Weed Management

34	Working with the farmer, list the primary weed problems on the farm
35	<p><i>Check the items below that the farmer uses for weed control</i></p> <p><i>crop rotation mulching stale seedbedding</i> <i>hand pulling weeding tool</i> <u><i>Other (please describe below)</i></u></p>

Pest and Disease Management

36	Working with the farmer, list the primary pest and disease problems on the farm.
37	<p>What <i>preventative</i> pest and disease control practices does the farmer use</p> <p><i>crop rotation Intercropping Timing of Plowing</i> <i>Spacing Planting Resistant Varieties</i> <u><i>Other (please describe below)</i></u></p>

38	Have the farmer list the amendments used for pest and disease control <i>If you don't know whether or not the input is approved for organic use, put a ? in the space provided and list the input and label/ingredient information on the last page of this inspection worksheet so that it can be easily reviewed later.</i>				
	<i>Input name and what pest/disease problem it's used for</i>	<i>Crops on which it's used</i>	<i>Application Rate (amt +times applied)</i>	<i>Source</i>	<i>Organically Approved?</i>
39	Is the farmer careful to use pest or disease control inputs only after trying preventive practices?		<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No	

Buffers and split farm practices

40	Is the farmer aware of GMO and GM seed contamination concerns?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
41	Have they checked/do they know if GM seeds are planted in nearby fields?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
42	If neighboring farms are applying chemical sprays or using GM seeds, do buffers appear sufficient to avoid contamination of organic production areas and crops from chemical spray drift or GMO cross pollination?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
43	If buffer crops are harvested, does the farmer store and sell them separately from certified organic crops?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
44	If this is a split operation and prohibited chemicals are stored on the farm, have you checked to see that they are stored in a separate lockable cupboard from organic inputs?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
45	If there are employees working on the farm, has the farmer explained the differences between prohibited and allowable materials and made it clear where each can be used?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
46	From your observations of equipment and talking to the farmer, do cleaning methods appear sufficient to prevent contamination by prohibited substances (for example wash water of spray equipment is not draining into organic fields)	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No

Post Harvest and Crop Storage

47	Does the farmer know that they have to use clean packaging to pack their products? <i>(For example they can not use fertilizer bags to pack their onions)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
48	Does the farmer have a system to prevent the mixing of organic and non-organic crops?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No
49	Do storage areas appear to be clean, and free of insect, rodent, bird, or other pest infestation?	<input type="checkbox"/> Yes <input type="checkbox"/> N/A	<input type="checkbox"/> No

Marketing Details

??	<i>Get a quick-summary idea of how the farmer markets their main crops</i>			
	<i>Name of Product</i>	<i>% Direct Sales</i>	<i>Resellers</i>	<i>Wholesalers</i>

Inspection Summary

The Peer inspection worksheet is designed so that a "No" answer is a point for concern. Please be sure to explain "no" answers in the space provided below.

Please list here the inputs and materials used by the farmer that you are unsure whether or not they are acceptable in organic practices.

Product and label/ingredient information:

Does the peer review team have recommendations for the farmer about things that could be improved, even if they do not keep him/her from being Certified Organic this year? (use back side if necessary)

The peer review team does not make the final decision on certification but now that the inspection is over, what would you recommend?

- Full Certification
- In Conversion Certification
- Farmer should make listed improvements and apply for certification next year.

Date of inspection _____

How long did the inspection take _____

Who was responsible for filling in the inspection worksheet _____

Printed Name, Signatures and Date of all peer-inspectors present at this inspection

This is not a final document, but a drafted example based on peer inspection documents from other PGS programs globally. This example includes some notation as to suggestions made by participants of the 2006 PGS Workshop in Goa, India.

Non-Compliance Guidelines

“Catalogue of Sanctions”

Sanctions are given to farmers by the Local Group as a whole OR by the Local Group’s elected Ethics Council (if one was created).

SITUATION	SANCTION
<ul style="list-style-type: none"> • Missing Attendance at a required Field Day • Unsatisfactory production system 	<i>Verbal Warning</i>
<ul style="list-style-type: none"> • Minor violations of the standards or regulations • repeated written warning for similar problem • not responding to approval conditions 	<i>Short Suspension of Certification</i> Period determined by length of time it takes for the Grower to get a new peer inspection/consultation
<ul style="list-style-type: none"> • repeated minor violations • clear violation of the standards not threatening the organic integrity of the product 	<i>Suspension</i> for a fixed period after until farmer(s) take corrective actions.
<ul style="list-style-type: none"> • clear violation of the standards threatening the organic integrity of the product eg: use of prohibited pesticides or synthetic fertilisers. 	<i>Longer term suspension for 1 year</i> <i>Farmer may be moved back into “In Conversion” status</i>
<ul style="list-style-type: none"> • repeated violations leading to penalties, suspension or withdrawal of approval. • Obvious fraud • Intentional obstruction of the inspection eg: denying inspector access. • Refusal to respond to written requests for additional information 	<i>Termination of participation</i> Farmer(s) banned from PGS membership either permanently or for a set period of time.

The Right of Appeal

The farmer's can make an appeal to the Regional Council within 2 weeks of the date of notification of the sanction by the Local Group OR to the Local Group as a whole if there is an Ethics Council that implemented the sanction.

This is not a final document, just a drafted example from a similar document used globally.

The NCC is expected to define a basic guideline of major and minor violations. Decision making for MINOR violations is left up to the Local and Regional Groups. Repeated minor violations after the first year generally results in suspension. Non-reporting of minor violation should result in more serious sanction.

Visits and Consultations for *PGS in India*, June 2006

In June of 2006, a number of visiting consultations with stakeholders were made around India to learn more about the current state of Organic, specific needs in terms of certification and to get feedback on the PGS Draft report that released in May, 2006.

June 12, 2006 - NPD (National Center for Organic Farming, Ghaziabad) and FAOR

Meeting with Ministry of Agriculture officials, farmers and NGOs to explain the basic concepts behind PGS and to quickly review key points specific to PGS in India. This set the tone for later meetings.

June 13, 2006 - Annabari and IKPVillage

Explored concept of PGS certification for NPM (No-Pesticide Management) schemes. First learned that a number of current Organic farmers started out as NPM farmers. Reviewed documentation and signed pledge statements that the CROPS NPM farmers and facilitators use. Excellent organization. Noted discrepancies between what farmers were pledging and practices and discussed re: fertilizer and herbicide). Noted that existing structures can be easily modified to implement a PGS (local farmer's groups at the village level are already meeting regularly and lines of communication and outreach is already established and there are "Mandals" which correlate to the Regional Councils used in PGS).

In IKP Village met with farmers for more direct feedback on this implementation of PGS. The response was entirely positive at this village, so not much to add here.

June 14, 2006 - Miryalaguda – farmers field school

Again exploration of NPM. Part of an aquifer/water conservation education program of which eliminating pesticides is one of the aims. Also visited an OxFam Organic farm.

This was the first Farmer's Field School for that village. Most all of the farmers were illiterate (Although we were told the literacy rate among the young people was nearly 100%). First an assessment was taken of what the farmers new and didn't know about pesticides and water conservation... questions were put on placards around a big circle. The farmers went around the circle (readers were available for

those who couldn't read) and put their answers to the questions down on slips. The slips were later divided into right and wrong answers and tabulated so that an assessment can be done again at the end of the project to see if the farmers did actually learn the concepts. To help explain the concepts, short dramatizations were used put on by peer farmers in the village. We were told that within the last couple weeks a traveling troupe of "educational performers" put some of the main concepts into song and dance for villagers also.

The farmers stood in a circle and pledged to uphold the NPM and water conservation practices they were being taught by repeating statements made by the facilitator. Again, we noted how simple it would be to overlay a PGS onto the existing structures here.

On the Organic farm we learned about how farmers even to be organized to purchase untreated seeds since it is a legal requirements (treatments can be non-chemical in nature, but they have to be specified and special ordered). We learned more about this later on, and it again highlights how essential a PGS (or other local organizational structures) are to local farmers maintaining organic status over the long run.

June 15, 2006 - Karim Nagar – Chetna Organic and Indian Tobacco Corporation

Again reinforced that many groups in India have implemented model programs and support structures that are ideally suited to overlay of PGS concepts/principles and structures.

Interesting to note that in this village (and surrounding villages) the number of organic farmers has DROPPED from 2005 to 2006. We spoke to one of the drop-out farmers and he said it's not because the farmers didn't believe in the principles and efficacy of organic agriculture, but because the third party certifier (to simplify certification) had created a new rule that required the WHOLE FARM to be run organically. There were not enough cows in a given farm family to provide the nutrient needs for their entire farms. Farmers said they could only do a percentage of their farm organically and this was prohibited by the certifier.

Since the farmers were not allowed to be certified organic they could no longer be included in the support program (which was funded only for organic farmers) and so couldn't easily get access to support or the organic amendments that they had come to feel were so important. They were sad to leave to the program, but had no other choice.

Noted that such arbitrary rules harm the growth of the *Organic Movement* as a whole and would not be a part of PGS Certification in India.

We also met with the Head of New Business Development and the Chief Information Officer of the Indian Tobacco Corporation (ITC) who expressed interest, willingness and the ability to move organic commodity crops (grains and pulses) through their existing channels in a way that would keep them separate from conventional crops. Their interest in the project was heavily dependent on Ministry of Agriculture support for the concept of Participatory Guarantee Systems.

June 16, 2006 - Meetings in Hyderabad with World Bank Project

Learned more about the details of the operation and organization and most impressively, the downstream marketing to poor urban consumers, and then even non-poor consumers and well as cooperative storage for poor rural families grain and pulse crops.

Also met with a successful businessman, Raj Shekhar Reddy, who has now started 5 Organic stores. He has taken on both official and unofficial certification schemes to get organic produce for his stores. He was very interested in the developments of the PGS if it could increase access of traders (and therefore consumers) to guaranteed organic products.

June 17-18, 2006 - Aurangabad with Institute of Integrated Rural Development (IIRD) and EcoCert

Visited a village certified under an ICS (Internal Control Systems). Excellent, organized and extensive recordkeeping maintained by one of the villagers. Here, again we saw there are excellent structures in place (in this case aligned with a women's empowerment group) that would be easy to overlay the PGS structures onto with minimal effort. All the difficult work has been done.

IIRD has also organized a weekly Organic Bazaar. The farmers come to a central rural location and are trucked into the city of Aurangabad by IIRD. The Bazaar was impressively busy. We spoke with farmers and consumers. Farmers said they didn't really try to charge more for their organic products here at this organic only bazaar than they did when they sold in the normal bazaars (where they were not recognized for being organic) but they did find that consumers here never tried to negotiate with them. Consumers agreed the prices were basically the same as in the other bazaars, but here they didn't get "poisonous" food. Also they thought the food here tasted better. "More like what I remember when I was growing up" said one older woman.

We engaged in a very productive consultancy with Dr. Selvam Daniels, the Director of Certification for **EcoCert India** one of the largest Third Party Certifiers in India. Dr. Selvam Daniels was very positively inclined towards the introduction of Participatory Guarantee Systems in India as long as it was introduced as a *parallel*

system of organic certification and more limited in scope (for example only for small farmers only selling domestically). He expressed the importance of some sort of system to maintain the integrity of the organic products after they left the farm. He reinforced the idea that PGS can be used as a stepping stone to third party certification by small farmers in India that require international credibility or an international label and that a well designed PGS can easily transition into an ICS (Internal Control System). He very frankly told us about the some of the problems that ICS and Group Certification systems were having. Dr. Selvam Daniels' practical-based knowledge and insight into the basic requirements of certification, his on-the-ground knowledge of third party and group certification in India and his openness towards a parallel Participatory Guarantee Systems for domestic Organic production in India was extremely encouraging, and continued consultation not only with Dr. Selvam Daniels, but also other Third Party Certifiers will help of course to strengthen PGS but even more importantly to strengthen the positioning of PGS as a *compliment* to Third Party Certification in India rather than a competitor.

June 19-20, 2006 - Dhule - Govt. of Maharashtra Organic project

An impressively active group of farmers picked apart and sifted through every detail of the PGS Proposal for India before finally accepting it. They were bluntly frank about their dissatisfaction with the ICS and Group Certification referring to themselves as "indentured laborers" due to the requirements of a common point of sale. They were also frustrated that while the cotton on their farms was certified organic, they were going to have to go through a different certifier for their winter wheat. Highlights of the meeting were the importance of secret ballots at the Local Group level to include new farmers, encouraging farmers to inspect in other villages not just their own (to help spread knowledge)

The Government of Maharashtra has designed an impressive, complex and apparently very effective system of "Agricultural Soldiers" to encourage the adoption of sustainable agricultural practices (highlighting Organic) that again can help to serve as foundation structures for PGS. The state government program also extends to marketing of organic products in the form of the successful Dhule Organic Wheat Festival where local organic wheat is sold to local residents once a year.

June 23, 2006 Delhi: FAO and MoA Technical Cooperation Programme on Organic Agriculture extended Steering Committee Meeting on PGS

From Report by Ajay Rastogi:

“Participants sought clarification on the hierarchical nature of the organization – local, regional and national committee. It was explained that regional body is to keep a good balance on documentation process and issuance of individual farm certificates while national body is to lend credibility and promotion at the national level. So, the control remains in the hands of the local group. Another query was related to chain of custody monitoring and discussion revealed that in order to keep the system simple, easy steps of monitoring should be instituted in the beginning and then evolved with experience over time. There was a consensus on the fact that PGS is the mechanism to mainstream organic food in the market place than just being a niche commodity.

It was resolved in the meeting after discussion that PGS organic should be called PGS Certified Organic and sold under a common national identity. The regional or local identities could also be kept as per the need of the local/regional committees. The MoA would try and make a resolution to safeguard the long term interest of the farmers and stakeholders using the PGS Guarantee System.”

A Participatory Guarantee System for India Workshop

23-25 September, Goa, India

Purpose of the Workshop:

- **Provide** the participants with an overview of PGS Organic (global) and its potential for application in India
- **Develop** an understanding of PGS concepts and methods for developing organic guarantees for small holder farmers.
- **Apply** the knowledge to adapt PGS processes for India (specific to the participant's experience).
- **Create** a blueprint for action for PGS Certification throughout India.
- **Establish** the first members of the National Coordinating Committee

DAY ONE – Orientation, Systems and Key Components

1.0 Introductions and Orientations

1.1 Workshop programme and goals

1.2 Participant Expectations

1.3 IFOAM and PGS Task Force

Background, history and purpose of the PGS Task Force and it's work around the world.

1.4 Background of FAO/Ministry of Agriculture PGS Initiative in India

2.0 Participatory Guarantee Systems in General

2.1 "Burning Issues" facing small farmers

Greatest challenges in India in relation to certification, marketing and the production of organic crops and products.

2.2 Overview of PGS

How PGS has developed and adapted globally to specific regional challenges. Special focus on NZ, USA and Brazil.

2.3 PGS Concepts Shared Globally

3.0 A Participatory Guarantee System for India

3.1 FAO PGS Proposal Overview

3.2 Roles and Responsibilities of the Key PGS Groups

3.3 Differentiating between PGS and ICS

DAY TWO: Blueprint for PGS in India

4.0. Setting up a PGS system In India FOR primary producers group

Discuss the working components of the PROPOSED model

4.1 Core components and process of PGS appropriate for India

4.2 Puzzle Pieces

Topics covered will include:

- Flow diagram of the linkages that connect the system
- Constitution and roles and responsibilities of groups
- Application and inspection process and schedules
- Pledge/Declaration signing, election of officers, collection of the information that is actually sent to the Regional Council.
- Constitution and Rules for the Regional Council, processes to be undertaken by it, how is the information compiled, what actions are undertaken and how.
- The paperwork application/inspection and pledge documents.

4.3 Technical and management skills required to manage and operate the PGS

DAY THREE – The future Action Plan

RECAP

5.0. Setting up a National Coordination Committee

Topics covered will include:

- Institutional platform of the NCC.
- Members and responsibilities and needed skills
- Additional Trainings
- Including consumer and environmental groups
Interfacing with 3rd Party Certifiers
- Funding requirements and options
- NCC's role in marketing the PGS and outreach to the public.
- Legal matters and details of logo administration.

6.0 The Future

6.1 Key issues facing small farmers (re-examine issues brought up in 2.1). How can PGS help to address some of these issues.

6.2 Create a PGS development scenario for India (referenced against the core issues and problems that need to be addressed)

6.3 Discuss on strategy for starting pilots and identify potential areas and an action plan for spreading PGS throughout India

6.4 Discussion on endorsement and level of support by Indian Government

7.0 Closing Remarks

Appendix 8

National Workshop on Participatory Guarantee System (PGS) for Organic Produce Certification

23rd - 25th September 2006 ~ Panjim, Goa ~ Organised by: FAO, India

A 3-day workshop on the PGS as a low cost alternative for 3rd party certification of organic farms was held between the 23rd and 25th at Panjim in Goa. Participants from across the country representing close to half a million farmers were present during this three day deliberation. They discussed the advantages and limitations of PGS and how it could be adopted to the Indian conditions. This document outlines the key action steps that was decided and agreed upon by the participants at the end of the workshop.

Action Steps

Pilot Project

It was agreed among the participants that the PGS can be best furthered through a series of pilot projects. It was also agreed that the pilot projects be based in different ecological areas with different socio-economic situations, etc. so as to test its validity across a very diverse agriculture practicing country like India.

Fourteen organizations from over 10 states have agreed to pursue a pilot project in their respective states. These are:

1. **The Organic Farming Association of India (OFAI), Goa** volunteered to identify and provide 10 different pilot groups from among its members across the country. The concurrence of the OFAI board will be procured before a formal commitment will be made.
2. **The Covenant Centre for Development (CCD), Madurai** - volunteered to be part of the pilot project. The Aharam producer company, a community owned and managed enterprise initiative of CCD will manage this initiative from CCD.
3. **Timbaktu Collectives, Chitoor, Andhra Pradesh** - was ready to launch the pilot initiative in their region with immediate effect. They will anchor this programme through their organic farmers groups and associations.
4. **Institute of Integrated Rural Development, (IIRD), Maharashtra** -will organise pilot programme in its work location in the Marathwada region of Maharashtra state.
5. **Inhere, Uttaranchal** - has volunteered to organise the pilot programme in their operational areas in the Kumoan region in Uttaranchal.
6. **Samoha, Karnataka** - has also volunteered to conduct a pilot project in its work area in the uttar kannada region of Karnataka.
7. **Sambandh, (Orissa)**-an organisation working among tribals through its watershed and organic farming programme in Orissa, has volunteered to organise a pilot project for PGS in its work areas which has one of the largest tribal concentration in India.
8. **Chetna Vikas, Wardha** - will also volunteer for the pilot project, however, it would make a formal confirmation later.
9. **Chetna Organic** working in the Karimnagar District of Andhra Pradesh has also volunteered to conduct a pilot of PGS in its area. As many farmers had moved from chemical to organic and back to chemical farming in this region, it felt that this would be a good place to validate this system.
10. **CPMP in Rajasthan** - will conduct a pilot in this region that is naturally dependent on rain as the only source of irrigation for agriculture.
11. **Kuchch Sajiv Kheti Manch** - will conduct a pilot project with its farmer members in the Kutch region in Gujarat.
12. **Keystone, Nilgiris, Tamilnadu** - had already initiated quite a few efforts to implement PGS. It will be involved with a pilot programme in Tamilnadu.
13. **Jahit Foundation** - will be involved in piloting among its farmer groups in the Meerut region in Western Uttar Pradesh.

14. **Resource Service Centre, West Bengal** - will be involved in the pilot, with particular emphasis on the capacity building for the success of this programme.

Duration of the pilot project

The pilot phase would be conducted for a period of six months and the volunteering organizations will meet for a review in March 2007. This time line was agreed upon by all the members who had volunteered to be in the pilot project.

The council of 14 that has volunteered to conduct the pilot project will also keep in touch regionally in exchanging their experiences in implementing the PGS.

Basic documentation set for implementing the pilot project

It was decided that a three member team consisting of Mr. Joy Daniel, Mr. Mathew John and Mr. Claude Alvares, will work on the basic documentation process required for the implementation of the system. These documents will be ready by mid-October so as to start off on the pilot projects. The council of 14 members will closely work with this group to ensure that the standards are agreed and finalized.

Their report will be ready by the 25th October. Process of distribution of the material and the communication will be by email. An email list to enable the same will be created by OFAI.

Liaison with the Government

One of the strengthening factors for the promotion of PGS has been the readiness of the agricultural department of the government of India to consider PGS as an alternative certification system to third party certification, presently in vogue. It was decided that a group of participants would work towards drafting a proposal for submitting to the Government. The team consisting of Mr. Ajay Rastogi, Mrs. Mary Vattamattam, Mr. Joy Daniel and Mrs. Sonali Bisht volunteered to be part of this group. It was decided that this group will also be looking at the documentation system requirements for the institutionalization of the PGS system.

Apart from the central documentation that would be prepared by this sub group, all the 14 organizations participating for the pilot project will draft a note on the application and benefit of PGS in their work; this will be forwarded to the documentation team. A time frame of one month has been decided for the team to finalise its submission.

It was emphasized that the document on the institutionalization should represent the plurality and diversity of the diverse members participating in this programme. This team will finalize the institutionalization documentation within two weeks of receiving the recommendations / suggestions from all the regional teams.

Creating an identity - common logo and certification label name

A label name for the certification process and a logo that would graphically represent the idea of PGS will be evolved. Mr. Kishore will coordinate the efforts towards this on behalf of all the participants. All suggestions will be sent to him by email by the end of September. He would explore options acceptable to consumers and submit his findings to the larger team for their perusal.

The National Structure on PGS

It was decided that the 14 organizations which had volunteered to conduct the pilot project for PGS will be considered regional councils for their respective regions to begin with. The national level coordination council will consist of all the 14 partners. After the review in March 2007, a national council will be re-constituted. This is subject to approval of PGS as an alternate certification system.

Concluding remarks by dignitaries

Dr. Daniel Gustafson - FAO

It is not often that there is a move to grant legitimacy to a process that is working among the communities. With PGS, we are here to coordinate such a legitimacy. At FAO, our earlier work has been in addressing poverty and reduction of hunger. LIESA, pesticide reduction, etc. have all been initiated and managed over a period of time towards this. These initiatives have all been based on the requests from the government.

We are not in a position to take this initiative of PGS forward beyond the current project. From here on our role would be dependent on what is the request we receive from the ministry of agriculture.

This initiative on PGS, has to be driven by the national partnership of NGOs and some level of involvement of the government, department of agriculture. The way forward will be a lot difficult, the pilot phase is not going to be easy. But, with the experience available here (among the participants), in production, in marketing, etc., which is really rather high and that can ensure that PGS can be taken forward by this group and I am delighted to reach where we have reached in this workshop and I am keen this initiative grows.

Dr. Bhattacharya - Director, National Centre for Organic Farming

At least 14 people have come forward to pilot. I am glad and wish you all success. I am willing to be with you even after my retirement. That people here are very enthusiastic and energetic and passionate gives me lot of hope. If you visit any of the third party certifiers' office, they are all filled with documentation. It is not our objective to reduce organic agriculture to mere documents. Our support is for sustainability and wherever some (initiative) one is working towards sustainability or for market acceptability, then we will support them.

Mr. Satish Chander - Joint Secretary (INM), Ministry of Agriculture

The workshop has been very educative, I have learnt much. The effort has been how to take things forward, the discussions I have seen have been very participative.

The PGS model has to be calibrated now, to incorporate the levels and framework that will be followed. Though we have to get rid of regulations as much as possible, here we have to ensure that there are common standards accepted and systems are agreed upon. Subsequently, we will need to ensure that the system is in place and functions according to its objectives.

The Ministry of Agriculture has not laid down any standards for domestic production. Whenever the government is involved we need to ensure that the money allocated is spent properly and support is made available. We had provided about Rs.57 Crore for the 10th five year plan on a pilot phase. We have so far provided support for Agricultural Universities, NGOs and others through this programme. We have tried to give capital investment subsidy for various needs of organic farming. We have also provided an intervention on market development.

We are open to examine if PGS can be part of NPOP. If the organic produce through PGS is acceptable to the international standards, that can be one big step forward. As far as NPM, the end produce can be called by any name. But, let there not be any confusion in the mind of the consumer. If something is called organic, it ought to be completely organic and certain other things cannot be called organic.

At the government level, we need a firm and well articulated proposal for us to respond.

Participatory Guarantee Systems – Shared Vision, Shared Ideals

Introduction

There are dozens of Participatory Guarantee Systems serving farmers and consumers around the world. Although details of methodology and process vary, the consistency of core principles across countries and continents is remarkable. The elements and characteristics outlined here demonstrate our shared vision but are not meant to concretely direct existing or future PGS programs towards conformity or “normalization.” The very life-blood of these programs lies in the fact that they are created by the very farmers and consumers that they serve. As such, they are adopted and specific to the individual communities, geographies, politics and markets of their origin. This document of Key Elements_and Key Characteristics is then respectfully presented only to highlight those elements that do remain consistent across PGS systems -the Shared Vision and Shared Ideals that have brought them together.

PGS Philosophy grows from Organic Philosophy

Participatory Guarantee Systems subscribe to the same ideals that guided yesterday's pioneering organic farmers. PGS programs require a fundamentally ecological approach to agriculture that uses no synthetic chemical pesticides, fertilizers or GMO's, and further sustains farmers and workers in a cradle of long-term economic sustainability and social justice. The primarily local and direct market focus of PGS programs encourages community building, environmental protection and support to local economies in general.

Fundamental Values

Participatory Guarantee Systems share a common goal with third-party certification systems in providing a credible guarantee for consumers seeking organic produce. The difference is in approach. As the name suggests, direct participation of farmers and even consumers in the guarantee process, is not only encouraged but may be required. Such involvement is entirely realistic in the context of the small farms and local, direct markets that PGS systems are most likely to serve. Active participation on the part of the stakeholders results in greater empowerment but also greater responsibility. This requires PGS programs to place a high priority on knowledge and capacity building -not only for producers but for consumers as well. This direct involvement allows PGS

programs to be less onerous in terms of paperwork and record-keeping requirements -an important element, since PGS systems seek to be absolutely inclusive in bringing small farmers into an organic system of production. In stark contrast to existing certification programs that start with the idea that farmers must prove they are in compliance to be certified, PGS programs use an integrity based approach that starts with a foundation of trust. It builds from there with an unparalleled transparency and openness, maintained in an environment that minimizes hierarchies and administrative levels.

Basic Elements

1. Shared Vision

A fundamental strength of the Participatory Guarantee System lies in the conscious shared vision that farmers and consumers have in the core principles guiding the program. While PGS programs may vary in the level of actual participation, they thrive because of the active awareness of why, how, and not least of all WHO is being served.

2. Participatory

Participatory guarantee systems are based on a methodology presupposing intense involvement by those interested in the production and consumption of these products. Principles and rules for organic production are conceived and applied with the contribution of all stakeholders - producers, consultants and consumers. The credibility of the production quality is a consequence of participation.

3. Transparency

All stakeholders, including farmers, must be aware of exactly how the guarantee mechanism generally works, the process and how decisions are made. This does not mean that every detail is known by everyone but rather a basic understanding of how the system functions. People should be aware about the criteria of how decision on organic status is made, especially the reason why some farm cannot be considered organic for the time being. This implies that there must be some written documents available about the PGS and the documents are made available to all interested parties.

Privacy and commercially sensitive information of producers gathered during the operation of PGS must be treated with confidentiality. But such confidentiality should not be used to compromise the transparency principle. This may seem in conflict with transparency but a line must be drawn between privacy and commercially sensitive information, on the one hand, and access to information for the purpose of transparency.

4. Trust - "integrity based approach"

The advocates of PGS hold to the idea that farmers can be trusted and the organic certification system should be an expression of this trust. It should reflect a community's capacity to demonstrate this trust through the application of their different social and cultural control mechanisms, providing the necessary oversight to ensure the organic integrity of their organic farmers. Thus, a variety of culturally specific (local) quantitative and qualitative mechanisms for demonstrating and measuring organic integrity are recognized and celebrated. These are integral to the guarantee process.

5. Learning Process

The intent of most PGS has been to provide more than a certificate, also aiming to provide the tools and mechanisms for supporting sustainable community and organic development where the livelihoods and status of farmers can be enhanced.

It is important that the process of guarantee contributes to the construction of knowledge nets that are built by all the actors involved in the production and consumption of the organic product. The effective involvement of farmers, consultants and consumers on the elaboration and verification of the principles and rules not only leads to the generation of credibility of the organic product, but also to a permanent process of learning which develops capacities in the communities involved.

6. Horizontality

Horizontality means sharing of power. The verification of the organic quality of a product or process is not concentrated in the hands of few. Ideally, all involved in the participatory guarantee process have the same level of responsibility and capacity to establish the organic quality of a product or process.

Key Features

- 1. Norms conceived by the stakeholders** through a democratic and participatory process, but always in accordance with the commonly understood sense of what constitutes an organic product. The norms should stimulate creativity, which is a characteristic of organic farmers, instead of inhibit it.
- 2. Grassroots Organization:** The organic integrity should be perceived as a result of a social dynamic, based on an active organization of all stakeholders.

3. **Suitable to smallholder agriculture:** The participatory nature and horizontal structure of the systems allow for more appropriate and less costly mechanisms to generate credibility. It actually highlights, celebrates and encourages consumers to seek out smallholders.
4. **Principles and values** that enhance the livelihoods and well being of farming families and promote organic agriculture.
5. **Documented management systems and procedures** - There may be minimal paperwork required of farmers but there will be ways in which they are expected to demonstrate their organic commitment and integrity, these ways should be documented by the PGS.
6. **Mechanisms to verify farmer's compliance** to the established norms, which are able to stimulate participation, organization, and which allow a learning process for all the stakeholders.
7. **Mechanisms for supporting farmers** to produce organic products and be recognized as organic farmers, to include field advisors, newsletters, farm visits, web sites etc.
8. A bottom-line document, for example a **farmer's pledge** stating his/her agreement with the established norms.
9. **Seals or labels** providing evidence of organic status.
10. **Clear and previously defined consequences** for farmers not complying with standards, actions recorded in a data base or made public in some way.

Comparison of Third-Party Group Certification/Internal Control Systems and Participatory Guarantee Systems

Costs and paperwork requirements make it practically impossible for small farmers in India and other parts of the world to consider individual Third Party certification. As a result, Group Certification using an *Internal Control System* (ICS) was created and is successfully serving the needs of thousands of small farmers worldwide, providing them with access to international organic markets.

Enough similarities exist that a PGS Local Group that can manage the paperwork hurdles should find it easy (if not restrictive) to obtain ICS/Group Certification to take advantage of international export opportunities. Here we want to highlight the *differences* underpinning ICS and PGS systems of Certification.

1. PGS is more than just a system of Certification. Vital importance is placed on building networks and peer support systems for sharing of techniques, ideas and general farmer capacity building. Considerable farmer time is spent in this regard which is not required under a system of ICS certification.
2. PGS is locally focused and even includes local consumers in the certification process in the hopes of developing and expanding local markets and awareness of Organic systems of production. ICS Certification is generally focused on commodity and export products. To save costs, ICS certification is often limited to exportable products –the remaining locally saleable products may not be sold as “Certified Organic” even if they were produced under a system of Organic agriculture.
3. ICS farmers must operate under restrictive “Common Point of Sale” requirements which PGS does not have. This allows small PGS certified farmers more market empowerment – they are free to sell their crops individually to whoever offers the best price.
4. PGS is a certification system for the whole farm, allowing farmers to sell all the crops from the farm as Certified Organic.
5. PGS empowers the farmer by putting them in control as key decision-makers of who is and isn’t certified in their own local group. This means increased responsibility, but encourages *social control* as an important compliance mechanism. ICS certified farmers sometimes find themselves united against an outside “enforcement body” which can impede reporting of non-compliances by individual farmers in the group.
6. PGS is the only way to certify millions of small Indian farmers in a short amount of time, bringing them into a system of *committed* organic production. There is no way to fund the time or resources necessary to do that within ICS.

Certification Alienation

Dr. Alexander Daniel, December 2005

Table:7

Average prices of vegetables and grains in the organic bazaar in the village market (2004)

No	Name of Organic Product	Village level price (Per Kg) in Indian Rupees	Organic Bazaar price (Per Kg) in Indian Rupees	Percentage gain by marketing through Organic Bazaars
1.	Sorghum	7	10	43
2.	Pearl millet	5	7	40
3.	Fox tail millet	15	22	46
4.	Pigeon pea	15	23	53
5.	Green gram	16	22	37
6.	Black gram	17	25	47
7.	Kidney bean	17	30	76
8.	Chick pea	17	23	35
9.	Tur dhal	25	37	48
10.	Harbara dhal	20	32	60

Source: IIRD Data from Organic Bazaars

Certification Alienation:

Although organic certification would provide legal entry for markets and better opportunities for premium prices, only a small fraction of producers who are “organic” in India could get [third party] certification and have access to markets having premium prices. As already indicated, 0.05 percent of gross agriculture is only certified. At the same time plight of the small farmers in India is critical and requires urgent attention. Nearly 60 percent of the agricultural holdings in the country are below one hectare size. 84 percent of small farmers are practicing traditional farming without using any chemicals in the farms. And yet they could not come under the orbit of organic certification in the manner in which it is practical today. We may

list some important constraints that limit the access of the traditional farmers in India to access certification.

Constraints:

Lack of access to information: Farmers in rural India live in remote villages without adequate access to information. Access to information is limited due to the fact that a vast majority of them are illiterate. In South Asian countries, like India, the level of illiteracy is as high as 56 percent. Apart from illiteracy the inclusiveness of rural population under the ICT (Information and Communication Technology) is miserably low. This digital divide keeps out large rural population outside the expanding international and national markets. As a result, the resource poor farmers living in the remote areas of Asia do not have information about the increasing market possibilities in the organic sector for their products. They also do not have information about standards and certification requirements to reach those markets. This lack of information and awareness keeps the Indian farmers away from any type of organic certification.

Constraints in following the standards: The international standards prescribes various conditions for growing crops, control of pest and diseases, soil management, storage and transportation of organic products, input used, animal husbandry practices and the like. These standards sometimes are not compatible with local situations and conditions existing and different agro climatic zones. Therefore, the farmers feel that they cannot be certified under the international regulations or the certification standards of certification bodies as most of the international standards are developed according to the conditions prevailing in the western countries. In the year 1999, the Asian organic groups demanded separate regional standards for Asia as the IFOAM basic standards is not consistent with the agro climatic conditions and practices in Asia¹. The Asian organic groups are working to develop their own organic standards but their efforts could not materialize for want of resources. However, during the year 2004, Asian rice standards were ratified by Asian Research Network of Organic Agriculture (ARNOA). Most important constraints, which the farmers face, are in the following areas

¹ Regional Workshop on Organic Agriculture Standards, Kathmandu, Nepal. 22nd to 26th March '99

- Natural and organic inputs, which the farmers use as per the
- Traditional knowledge, are sometimes not compatible with the certification standards.
- The concept of rotation of crops often requires to be redefined as per crops.
- Animal husbandry standards do not match the situation of the resource poor farmers.
- Lack of inclusion of indigenous methods of soil management, plant protection, storage and other agricultural activities.

Difficulties in maintaining the records: Formal organic certification requires wide range of records for inspection. A short illustrative list could be seen below.

- Farm map
- Farm history
- Activity log
- Input records
- Harvest records
- Storage records
- Purchase records
- Sales records
- Buffer zone use report
- Label reports
- Non GMO seeds use certification
- Finished product inventory report
- Pest control and sanitation records
- Production procedures and documentations

These records are required during the inspection process. Resource poor organic farmers find it extremely difficult to maintain these records even though their farms and farming practices are ecologically sound.

Cost of certification: Certification cost consists of inspection cost, travel cost of inspector, cost of certificate and transaction certificate. Till a decade ago, most of the inspections for certification purposes were done by inspectors from foreign countries. Therefore, the inspection costs were very high as the travel costs and cost of expert services were to be met. As the Indian organic sector has expanded, the certification market also enlarged and it became possible for certification companies to train local inspectors and engage in several capacity building efforts, which has simultaneously reduced the cost of certification operations. Besides, the APEDA also played an exemplary role in enacting local offices of European and American certification agencies, training of local inspectors and thereby bringing down some cost. However, the cost of certification is still far beyond the reach of the small farmers of India whose annual income ranges at US 350 dollars per year.

In the case of group certification, the total cost of inspection and certification is spread over a large number of small growers. For example, the certification cost is spread over three hundred to five hundred farmers, the cost of certification per farmer would range between four to six dollars per farmer. If the number of farmers in a group is substantially large, the cost of certification becomes very low. In the case of one of the large ECOCERT certified group schemes in India, the cost as worked out is only up to Rs.22 per farmer. Even though the certification costs appear to be minimal, in reality, the picture is different. Maintenance of internal control system in a group scheme is a huge cost and many times exceeds normal certification cost.

The constraints faced by resource poor farmers in getting certification can also be grouped as internal and external causes. Poverty is multifaceted with attributes such as low purchasing power, illiteracy, meager coverage of ICT, low levels of production, and lack of social organization. These internal features of poverty become impediments for gaining certification. In other words the root cause of certification alienation could be traced to poverty itself. At the same time external factors such as regulatory standards, certification norms and procedures depends on institutions and organizations from abroad and are the external causes for certification alienation. Any policy, which will bring about access to certification for

rural poor, should have to tackle both internal and external reasons for certification alienation.

'Alienation' of these traditional farmers from the certification fold affects them in many ways.

Firstly, the lack of certification closes one of the main doors of opportunity to gain premium prices and improved incomes and better livelihood situations. Although marketable surplus with the farmers is a limited quantum of their produce ranging from 30 - 40 percent of their total production from their small marginal holdings, it is the income they get from the marketable surplus determines their household expenditures for food items they do not produce, health care, education, clothing, entertainment and the like. Any improvement of basic income through the marketable surplus from their smallholdings will have considerable impact on improving their livelihood amenities. The following table indicates comparative prices obtained in organic bazaars from small farmers in Paithan Taluk, Maharashtra.

Secondly, the certification system enables effective long term planning for improving the viability of small farmers. This involves organic farmers implementing conversion management plans for achieving effective improvements to soil conditions, crop planning as per market requirement, water management and other specific improvement in their farms. Over a period of time, the productivity and asset value of certified organic farms improve and the long term viability of the farms is ensured. Lack of accessibility to certification limits the opportunity for resource poor farmers to work towards sustainability. This results in non-viability of small farms and the pauperization of small farmers. Ultimately the resource poor farmers are compelled to migrate to cities in search of employment.

Thirdly, the adoption of certification system enables the resource poor farmers to gear their production as per market requirements of the local, domestic and global markets. Before joining the certification system, the resource poor farmers produce mainly for subsistence. Even the small proportion of marketable surplus they possess are not suited to the prevailing market needs and mostly arrives at times when there is glut of those products. Generation of marketable surplus for gaining

premium process require careful production planning, which is often facilitated through certification process. Lack of certification therefore reduces the chances of orienting marketable surplus from small grower sections to international and domestic markets.

Fourthly, the major part of the knowledge system of the traditional farmers of Asia are concretized as organic standards and practices and is being marketed through different kinds of certification systems while the owners of these knowledge systems are deprived of the right to gain access to the organic markets. Not only the use of their knowledge system is unrecognized but also the resource poor Indian farmers are branded as 'organic farmers by default'. This situation undermines the self-esteem of traditional farmers who have continued to practice farming based on ecological principles for over five thousand years. The trade liberalization gives opportunities for premium prices and marketing of organic products considered to be safe, healthy and ecologically sound. There is opportunity for marketing the knowledge of the poor and traditional farmers in producing safe food for generating resources for overall development of less developed regions. But the small peasants from India are deprived of this opportunity of marketing their traditional knowledge and skills.
