

Participatory Guarantee Systems

Opening up new markets for organic products

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Organic Agriculture and Certification

Defined as "a production system that sustains the health of soils, ecosystems and people", organic agriculture "relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic agriculture combines tradition, innovation and science benefiting the environment while promoting fair relationships and a good quality of life for all involved"¹.

Organic agriculture as a development model has many assets. Organic agriculture protects biodiversity while contributing to world food supplies in a balanced and sustainable way. It supports the economic and social development of rural communities and fosters gender equality and it is markedly better for both consumer and producer health.

Currently, the bulk of organic agricultural production is for export. To guarantee the organic character of a product to consumers in faraway markets, third party certification bodies assess the organic claim. **Because of the high cost of this external certification, it is however only considered an option when exporting relatively large volumes, thus de facto excluding a large number of smallholder farmers from participating in the growing organic trade business.**

But, the growing demand for organic products in the domestic markets of developing countries opens up new opportunities for smallholders, at least if a less costly way of certification can be found.

The alternative: PGS. A common approach to different local contexts

Growing from the same ideals that guided yesterday's pioneering organic farmers, Participatory Guarantee Systems (PGS) have sprouted and are now being implemented in an increasing number of countries. PGS, just like third-party certification systems, aim to provide a credible guarantee for consumers seeking organic produce. The difference is in approach: direct participation of farmers, consumers and other stakeholders in the verification process.

IFOAM (International Federation of Organic Agriculture Movements) defines PGS as "locally focused quality assurance systems. They certify producers based on active participation of stakeholders and are built on a foundation of trust, social networks and knowledge exchange." Based on direct personal market relationships between consumers

and producers, PGS are specifically adapted to short supply chains and have a low cost of participation. This makes PGS very accessible to small farmers who want to sell their products in the local market.

Even though developed in function of specific national needs and cultural contexts, PGS in the different countries share the same characteristics: detailed specifications based on IFOAM recommendations, a commitment of the producers, documented management procedures, verification mechanisms and a label as well as well-defined consequences for non-conformity issues.

Since the PGS approach was rolled out, thousands of organic producers are now verified through PGS initiatives across the world (including USA and Europe).



Raymond Auerbach, Director of the Rainman Landcare Foundation: "Our approach is based on the principles of natural resource management: production, conservation and social equity must be combined if sustainable development is to take place in Africa."

Examples of PGS initiatives in Bolivia and South Africa

AOPEB, the Association of Organisations of Organic Producers in Bolivia, brings together and represents organic farmer organisations. Since November 2010, AOPEB steers a large project to launch a Participatory Guarantee System on a national scale in view of significant growth of organic product sales on the Bolivian domestic market. This programme includes not only the technical training of the producers and the implementation of the Participatory Guarantee System in their organisations, but also the establishment of sustainable commercial partnerships in each region (with the communities, traders and processors) as well as technical support to municipalities that are committed to supporting local organic production chains (organisation of organic fairs, etc.).

As a member of IFOAM, the **Rainman Landcare Foundation** (RLF) aims at promoting organic farming in South Africa. The Rainman Landcare Foundation is also the national reference organisation to set up PGS. In August 2010, RLF initiated a project to increase the sales of organic fruit and vegetables sourced locally in three farming communities in KwaZulu Natal province through the setting up of a Participatory Guarantee System. The project has attracted increased interest from public authorities in South Africa as they look with interest at the potential of this model to enhance the development of other poor rural communities in KwaZulu Natal and in other provinces.

Both the AOPEB and RLF projects are financed by the Trade for Development Centre of BTC - Belgian development agency.

The future of PGS

With PGS now considered as a viable alternative to third party certification, enabling smallholder farmers to access the local market, the time has come to get PGS recognised as a system *equal* to control by third party organisations.

The Intercontinental Federation of Organic Farmer Organisations (INOFO), established in 2008, is campaigning on this theme. According to INOFO's president Moisés Quispe Quispe, the aim is not to replace the local guarantee systems with an independent body. The challenge is rather to gain recognition for participatory guarantee systems at the country level, not simply for their relevance and economic efficiency but especially "on the basis of social and cultural principles, as a way of life".



AOPEB : "We consider it essential to recognise local cultures and to preserve traditional know-how, which has always respected nature and favoured a sustainable management of resources."

In Bolivia, things seem to move the right way. In February 2012 the Bolivian Ministry of Rural Development and Land presented the National Technical Standard for PGS and corresponding official seal. This will allow for easy identification of locally sourced organic products in the domestic market, thus increasing consumer awareness and hence the market opportunities for smallholder farmers.

PGS is showing that it can be a model of sustainable economic and social development that is profitable for everyone.

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To find out more:

- IFOAM - International Federation of Organic Agriculture Movements http://www.ifoam.org/about_ifoam/standards/pgs.html
- *Organic Agriculture in Southern Countries. An opportunity for sustainable development?*, a brochure from the Trade for Development Centre, published in 2010, and available at www.befair.be/en/brochures
- *Rainman Landcare Foundation, short supply chains for organic agriculture in South Africa*, presentation of the project supported by the Trade for Development Centre, available at www.befair.be/en/projectsheet
- *AOPEB, Organic Producer Organisations in Bolivia*, presentation of the project supported by the Trade for Development Centre, available at www.befair.be/en/projectsheet