Good Food & Fibre Alliance:

a “pesticide-free” label for India

Background discussion paper for the 2nd stakeholders meeting

April 10, 11, Bangalore

Objective:

To harmonise efforts by farmers and consumers to make food & fibre production in India sustainable by creating an independent stakeholder platform to develop and safeguard standards for hitherto uncertified pesticide- and GMO-free produce and harmonise the guarantee systems used to verify compliance.

Context:

Various NGO’s, Govt. departments, companies and farmer groups are working towards production and marketing of organic food & fibre in India. Existing platforms for support of “Organic India” are successful in enabling government policy changes and commercial players are creating markets with great speed. At the same time a more informal organic farmer movement is taking shape in the form of OFAI (Organic Farmers Association India).

Organic certification has a strong history and well defined practices that guarantee quality and generate trust. Similar practices are followed by other voluntary social and ecological standardisation systems. However, not all farmers and consumers can easily join the existing systems because of costs, knowledge and time required for conversion. Participatory guarantee systems are an alternative, but only on a regional scale where personal relationships exist between buyer and seller –e.g. within a district, or within the reach of a reputed NGO. To access markets beyond the district there is a need for a new label to communicate credible information about the product and its production process.

The need to safeguard the option of good food & fibre is felt more strongly than ever with the powerful lobby for genetically modified crops and livestock. Contamination with GMO’s means loss of choice for both farmers and consumers on how to achieve sustainability.

Label Strategy:

For the chemical-free sector as a whole to flourish, potential synergies between the important stakeholders need to be utilised. A common label would generate market access for farmers, generating the confidence to move on towards full organic certification. For consumers it will make available a wide range of guaranteed healthy foods & fibres hitherto lost in the anonymous conventional markets.

Proposed is a model where private stakeholders share ownership of the standards and the accreditation of certifiers. Government recognition is important to substantiate the claims of chemical free food, but the initiative should be taken by producers and consumers. After all, these are voluntary standards. Private stakeholders are producers, retailers, consumers and service providers. Important lessons learnt from the organic system are listed below:

Documentation	Training	Internal inspection	External inspection, certification & accreditation
high risk farmers need to prove no chemicals used, to prevent documentation overload formats need to help farmers learn to evaluate their own farm	Key areas: Farm performance evaluation, risk assessment, contamination control, conflict resolution	Non-compliance reporting by community! Crucial to prevent conflict of interest! Clear designation of junior & senior inspectors	Need stakeholder involvement but also independence in certification decisions

Main differences between the organic system and the proposed Good Food system are:

Organic	Standards defined by IFOAM, Foreign & Indian Governments	Accreditation of certifiers by Foreign / Indian governments	Allowed to use the word "Organic"
Good Food n Fibre	Defined by civil society and the agribusiness sector	Accreditation of certifiers by platform holding the label	Not allowed to use the word "Organic"

Good Food producers

Aim is to make all food categories available in chemical-free form. Two groups of farmers are now coming together with a common interest to develop a visible label, based on shared minimum standards and a professional guarantee system.

1. The first group consists of in-conversion farmers taking part in international organic certification schemes unable to get a certificate. They are already in the process of documentation and inspection, and merely need support for a few years of transition;
2. The second group are farmers not using any pesticides nor GMO's (Non Pesticidal Management / Integrated Crop Management), but finding it hard to phase out fertilisers immediately because of scarce input availability. These are more in number, but less organised in terms of documentation.

Supply chain strategy

Labels and supply chains are closely linked: the actors in the supply chain need to be able to comply with the label, and pass on the message to the final consumer. The success of the supply chain determines the success of the label. At the same time the label should cater to the specific needs of the actors in the supply chain in order to remain relevant.

Four types of supply chains can be identified, each with its own opportunities and constraints. Our focus is on the last two as the first two may be short enough not to need an independent label.

Supply chain	Links	Opportunities	Constraints
Captive market: villages with whom platform NGO's have a close relationship	Producer-NGO-retailer/consumer	Low cost of processing[1] and logistics	Mismatch between supply & demand (quality[2] & quantity)
NGO Exchange (Aaharam)	Producer-NGO-NGO- retailer/ consumer	Independence of price fluctuations?	NGO to NGO trade needs separate form of guarantee system
Institutional market (ashram, hospital, army)	Producer-NGO-institution	Medium volumes, no middle men. May not need a label?	?
Open market	Producer-trader-retailer	Big volumes enable cheap processing & logistics, good media coverage for label	High cost logistics, need wholesalers/ "middlemen" to cover price fluctuation risks[3]

[1] Assumption is that semi-manual processing is accepted in the rural market
[2] Quality: Rural consumers often prefer non-local foods. Quantity: local production does not cover total local diet

Establishment of a common brand for produce in the NGO-exchange/Aaharam supply chain is not the objective of the labelling platform. The aim of the label is be adopted by as many supply chains as possible while maintaining quality of compliance.
In which supply chain the label will be launched needs to be discussed in the light of a communication strategy. Important factors are: selection of strategic partners (independent outlets or branded chains?), product availability (limited products or comprehensive range?), ideal product to launch the label with?

General discussion points:

Why combine NPM and organic in-conversion?

We clearly see NPM as an intermediary step towards organic. NPM is not an end goal in itself. Fertiliser use is not sustainable in the long term, and not necessary as soon as organic farming systems have been established. A large number of NPM farmers are willing to go to organic if they can minimise the yield loss by a gradual transition of chemical to natural inputs.[4]

Proposed decision: Farmer groups will be required to make a phasing out plan for chemical fertilisers. Service providers related to the platform will make a plan on how to support farmers to build up sources of organic soil fertility inputs. The platform will commission a study on factors making farmers move towards organic and factors keeping them in NPM.

Why a formal certification system?

We claim that chemical-free produce is better than conventional. The consumer needs to trust these claims on the basis of a guarantee. If consumers and producers live close to each other the producer can give the guarantee in person. If not, an agency will make the claim on behalf of the producer. If the volumes and the distances get big, no agency can visit all farms in person and give this guarantee. Aim is to develop high quality Internal Control Systems (ICS's) with maximum community ownership and farmers employed as inspectors to reduce costs.

Proposed decisions:

1. ICS's will take the responsibility for information gathering and processing –through internal inspections.
2. An external inspection is needed to verify whether the ICS is functioning. The platform will decide on a) guidelines for spot check rates, b) audit procedures including auditor qualifications and c) audit cost limits. The platform will study where efficiency gains can best be made without compromising on quality.

[3] Assumption is that nor retailers nor farmer groups are ready to take risk of keeping stock if prices fluctuate
[4] See also Annex on Proposed Soil Fertility Standards

Detailed discussion points:

Do we certify fields or final products?

An important decision. Producers are benefited by standards recognising their efforts regardless of external contamination, whereas consumers benefit from a contamination-free product, traced all the way from field to table.

Proposed decision: the label will certify the entire supply chain and extend its guarantee to the final product. See Annex I on Standards

Do we get involved in product quality?

Grading has large implications in marketing. CCD proposes "to assess whether grading is done for the products before marketing and if so to share knowledge regarding grading of different products among different network stakeholders. Knowledge regarding grading is crucial in order to ensure better quality products reaching the products and consequent better price."
ETC India proposes "crops can also harbour natural toxic substances: aflatoxines..(maize, groundnuts, chillies..) This should be avoided by close supervision of post harvest handling (drying cycles, avoidance of moisturizing to get better weight, storage done without too much stacking, clean storage)."
However, product quality is not within the scope of the label as long as it is not related to the use of chemicals and GMO's.

Proposed decision: product quality will not be dealt with by the platform as long as it is not related to the use of chemicals and GMO's.

Do we allow for part-production?

In Organic certification parallel production[5] is not allowed, but part-conversion is, as long as there is a clear separation of fields, as well as storage of inputs and outputs. This reduces the burden on the producer, but increase the burden on the internal control system tremendously.

Proposed decision: part production is not allowed unless there is a very strong ICS to prevent contamination

How do we ensure good ICS's are available?

If a good ICS is the safeguard against cost–escalation, who will ensure these good ICS's?

Proposed decision: the platform will take the responsibility to establish and maintain a network of ICS trainers who in turn train barefoot internal inspectors. Local communities will be involved in design of the ICS guidelines based on best practices. See Annex II on certification procedures

What would be functions of the platform?

Proposed decision: the key roles of the platform will be to:
- Define standards of pesticide- and GMO-free production leading to organic farming
- Establish certification procedures based on best practices of professional low cost certification
- Train trainers for ICS development
- Establish accreditation procedures for agencies involved in certification
- Carry out accreditation of agencies involved in certification

[5] Parallel production = same crop certified and conventional. Part production = conventional crop other than certified crop

How should the platform be organised?

Stakeholder involvement and ownership requires active participation by producers and consumers. The organisation should be independent and have an executive body to manage daily affairs. The stakeholders will decide on standards and long term policies.

Important to think about is the relation the platform will have with external agencies (institutional context) like public food certifying authorities, organic bodies, etc.

Proposed decision: we will establish a society with the following members on the board:
Producer representatives: CCD (TN), CSA (AP), SERP (AP), ICRA (KA), ???
Consumer representatives: CERC (GUJ), FEDCOT(TN)???
Facilitating partners: Ford Foundation (DELHI), ???
Besides the society there will be an Advisory Board (AB) to safeguard participation of stakeholders. The trust will appoint an Executive Board (EB) and the EB appoints a chairperson for the AB.

How do we launch the label and educate consumers?

Launch preparation: city? Store?
Explain seriousness of pesticide residues in products we are offering
(case pulses & grains: CFTRI, Centre Processed Food, Grain Storage Training Institute, Case box honey: MP mustard , Ke rubber pesticide residues, etc. etc.) See Annex IV for available products as of now

How to make sure the produce gets to the consumers?

Although supply chain establishment is not the core business of the platform, the success of the label depends on the success of the labelled product. Challenges that need to be overcome are:

1. Storage (waste/losses)
2. Volumes: planning supply & demand
3. Price fluctuations
4. Payment procedures
5. WORKING CAPITAL
6. Rejection

Annex I

Proposed Ecolabel standards

PRINCIPLES

- Minimal use of external inputs and maximise local resources, knowledge and technology
- Minimal barriers to entry for small farmers
- The label should give clear benefits to the farmers
- The label should maximise guarantees for consumers at minimal cost

FARM STANDARDS

Topic	**Individual farmer**	**Group**	**Agree/NO/ Research?**
Contamination control	Ensure field is free from spraying drift and run-off from neighbouring chemically farmed fields by enhanced hedges and field boundaries	Where possible fields are grouped in contiguous areas	NO, process standard? Cost? Group size minimum? Whole group conversion possible if mkt = guaranteed
	Use only clean sprayers for bio-control		Pump ownership?
	Store harvest in clean bags and clean space	Group monitors storage	Options for drying yards? Storage cost borne by whom?
Soil fertility	Sign agreement to phase out fertilisers according to group plan	Propose plan to phase out fertilisers	Consequence of not reaching target? Time fix?
	No more than 2 bags DAP/acre to start with		Left to the group to fix limit Research!
	No more than 2 bags UREA/acre to start with		
Pest & disease control	NO synthetic pesticides, herbicides & fungicides are used	Group monitors pesticide use	
	~~NO treated seeds are used~~	~~Group monitors seed use~~	NO, incentive to use non-treated seed?
	NO Genetic Modified seed is used		How to test? Who pays?
Documentation	Village maps are available indicating certifiable fields	Members commit to following the standards and group commits to monitor compliance	NO, Farmers List
	Farm level field maps are available indicating plots		
	Document sales of certified produce	Document sales of certified produce	
…	Undertaking / declaration		

SUPPLY CHAIN STANDARDS

Standard	Documentation	Agree/NO/Research?
Clean & separate storage & transport	Document procedures of cleaning & separation	
Flow of goods certification	Document purchase and sale of certified produce	

Annex II Certification procedures

Aim is to ensure that certification procedures are owned by the local community and as cheap as possible.

PROPOSED PROCEDURE

1. Standards set by Standards committee
2. Documentation by farmer
3. Documentation by group
4. Internal inspection by farmer monitors
5. External inspection by certification agency
6. Certification by certification committee of certification agency
7. Accreditation of certification agency by platform
8. Grievances committee to look into disputes

QUALITY ASSURANCE MECHANISMS

There are 5 levels in the guarantee system:

1. Farmer commitment
2. Group level social pressure
3. Internal Control System (multiple groups)
4. Internal inspector audit and report
5. External inspector audit and report
6. Accreditation of the certifier by the platform

Ad 3&4: The major focus is on the groups and the internal inspectors. To guarantee the quality of work by the internal inspectors, the platform will take the responsibility to establish and maintain a network of ICS trainers who in turn train barefoot internal inspectors. Local communities will be involved in design of the ICS guidelines based on best practices.

An institutional network for trainings of trainers can be established –e.g. 1 nodal training centre in each state. Costing for these trainings need to be worked out. The platform will development curricula and give accreditation to those giving the courses. A system of reviewing Exams & designations for internal inspectors.

Ad 5: The certifying agencies are accredited by the platform on the basis of the following criteria:

- Cost effectiveness
- Quality of verification process
- Impartiality
- ….

Case Craftmark: Certification procedure:

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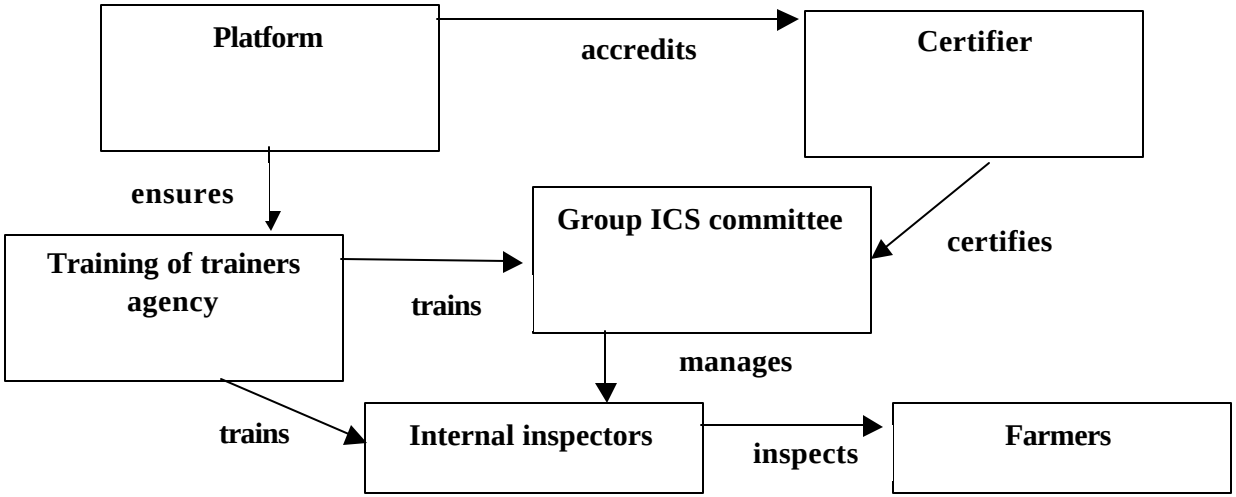
Annex III: Organisation structure



Case study: Craftmark

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Annex IV: Existing products & problems:

	PROBLEMS in conventional	Marketing challenge for chem-free label
MP: honey	Case box honey: MP mustard , Ke rubber pesticide residues	Colour transparency
TN: medicinal plants / spices:	Case E.coli if not collected from waste/barren land	
Mango	Case pesticides, artificial ripening	Seasonal
Tamarind	Case hybrids spraying	Size & processing
Condiments		
Or/MH: Pulses, groundnut, grams	Case wetland chemicals, rainfed no	Size
Traditional Rice	Case hybrids vs traditional varieties	Size & colour of grains
Sugar cane jaggery		Colour black iso yellow
Palm jaggery		
Vegetables	Sewage water, heavy spraying	
AP: cotton		