

# Support for Participatory Guarantee Systems

**Pacific Organic Policy Toolkit**  
<http://www.organicpasifika.com/poetcom>

## **Support for Participatory Guarantee Systems (PGS) development**

### ***Political justification***

Participatory Guarantee Systems (PGS) are 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. PGS represent an alternative to third party certification, especially adapted to local markets and short supply chains. They are also sometimes referred to as ‘participatory certification’. Participatory Guarantee Systems share a common objective with third-party certification systems in providing a credible guarantee for consumers seeking organic products. The difference is in the path to accomplish this, with the emphasis being on stakeholder participation and transparency.

PGS offers numerous benefits, including improved access to organic markets through a guarantee system for small-scale producers (those systems are much more affordable than third party certification), increased education and awareness among consumers (by involving them in the guarantee process), promotion of short supply chains and local market development, and farmer capacity building and empowerment. In other words, supporting PGS development is a way to promote organic agriculture adoption, but also livelihood improvements through market access and empowerment of smaller farmers. As the concept of PGS is not yet widespread in all countries and regions, there is a need for public support in the initial stage of PGS development, to provide resources for investment in capacity building and organizational development, after which those systems can operate in self-sufficient ways.

The most important contextual factor in terms of PGS development is the organic regulation context. It is crucial that, if the country regulates organic agriculture, the organic regulation does not hinder PGS development by forgetting to include them, thereby making those systems de-facto “illegal”. Whether the country has an organic regulation or not, there is room for governments to develop public programs to support PGS.

It is noted that PGS certification may not facilitate access to some international markets which are themselves regulated (eg US, EU, Canada), thus individual operators who plan to export organic products need to take this into consideration when deciding on certification.

### ***Suitable contexts***

*Stage of sector development:* This action is suitable to any stage of sector development, and particularly relevant to developing countries with emerging organic sectors.

*Regulatory context:* The only regulatory context in which it will be difficult to obtain (at least from the central government) is the case where there is an organic regulation in place that excludes PGS.

*Culture of government intervention:* Because PGS delivers a variety of public goods, supporting it is justified in all cultures of government intervention in agriculture.

*Policy objectives:* development is relevant to all policy objectives except the one to earn foreign currencies through organic export.

### ***Possible modalities of implementation***

Various levels of government can support PGS. In the next section there are examples of a national PGS program (India) and of regional (the Philippines) and local government support (Argentina, Peru). Types of support vary. Financial supports can be given to non-governmental organizations to establish and manage PGS. However, governments may also chose a more active role in establishing and administering the PGS system, including to have its members serve on PGS councils and committees. The option of active involvement is also a good opportunity for knowledge building on organic agriculture for government personnel.

### ***Countries examples***

India: After a consultation process in 2006, the Indian government launched a nationwide PGS development program implemented by its National Centre for Organic Farming (NCOF), under the Ministry of Agriculture. At first it functioned as an informal coalition of voluntary organizations or NGOs committed to the promotion of organic food production for domestic consumption in India, with export not being a priority at all. In April 2011, it was formally registered as a society in Goa as Participatory Guarantee Systems Organic Council (PGSOC). There is a national advisory committee consisting of government and non-governmental members. There is a national advisory committee consisting of government and non-governmental members. The PGS secretariat in the Indian government's National Centre for Organic Farming serves as the custodian of data, define policies and guidelines and undertakes surveillance through field monitoring and product testing for residues. Various zonal councils oversee and coordinate regional councils. The regional councils facilitate the groups in capacity building, training, knowledge/technology dissemination and data uploading on the PGS website. This program has shown impressive outcomes. At the beginning of 2015 the system included some 620 PGS groups with over 6200 certified farmers and about 1500 more in conversion to organic.

Argentina: In contrast to India, Bella Vista is supporting PGS at the municipality level. The municipal government has played an active part in establishing the PGS as

a tool to raise awareness about agro-ecology and organic agriculture, eating healthy foods and support a sustainable way to produce (Regulation No. 113/07. The municipality has regulated the creation of a PGS Committee and has defined its functions. The Committee is formed by public organizations, producer's organization and NGOs and its role has been to promote the creation of the PGS and to ensure the compliance of the system with the charter and the functioning of the PGS Committee. Twenty smallholder families are actually involved in the projects together with local consumers and several NGOs. It is a good example of cooperation between public and private institutions.

Peru: PGS initiatives have been promoted for more than 11 years by various stakeholders such as the National Association of Ecological Producers of Peru (ANPE PERU), the Institute for Development and Environment (IDMA), the Universidad Nacional Agraria La Molina (UNALM), they have coordinated their work with national and regional authorities to improve the recognition of the PGS. To date, PGS are implemented in 10 regions of the country, often with the support of the local governments. For instance, between 2009 and 2012 the Regional Governor of Huanuco has co-financed a project for the implementation of a PGS, which is now certifying more than 200 producers. The governor has also introduced a regional regulation, which recognise and supports the PGS initiatives within this region. Similarly, in 2013, the Regional Governor of Abancay has also introduced a regulation to recognize and support PGS. In other areas, such as the Satipo Province or the Cerro Pasco Region, a program concerning development of natural resources, promoted by the Ministry of the Environment, is dealing also with PGS implementation. In other regions, strong advocacy activities have been conducted with the local government for the recognition of the PGS and nowadays the local authorities support many ecological fairs, for example making available a public space for the fairs,

The Philippines: The language of the Organic Agricultural Act prohibits PGS-verified products to be labeled as organic, but the government has been giving a series of grace periods with the effect that this requirement is not being enforced. Meanwhile, the government (for example through the Department of Agriculture-Bureau of Agriculture Research) has supported PGS implementation in the country through funding some projects including PGS development. In parallel, local governments in the provinces have played an important role to support PGS. PGS initiatives in the provinces of Quezon, Nueva Vizcaya, Nueva Ecija, Negros Occidental, Lanao del Norte and Davao City were all developed and supported by their local government units, with some even allocating funds to support the initial operation, including training, committee meetings, and development of standards and manual of operations.

Lao: the Department of Agriculture's has adopted PGS as part of their certification portfolio of activities, under the responsibility of their certification department. The DoA issues the logo and conducts the training, as well as the audits of PGS groups. PGS certification under this model is free of charge for the farmers, as the



government subsidizes all the costs (through a grants it receives from the ADB PGS project – see below).

South-East Asia: The Asian Development Bank, a government-funded multilateral development bank, supports PGS development in the framework of the Core Agriculture Support Programme, 2011-2020. The programme supports PGS development in the six countries of the Greater Mekong Subregion. This includes the establishment of PGS pilots in all countries, as well as a conversation with the respective governments to gain their support and recognition for PGS.

