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## Final Report

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Implementing the Greater Mekong Sub-region  
Core Agriculture Support Program (Phase 2)

Participatory Guarantee System (PGS) Capacity Building

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## Abbreviations

ACT	Organic Agriculture Certification Thailand
ADDA	Agricultural Development Denmark Asia (INGO)
ADB	Asian Development Bank
ALiSea	Agro-ecological Learning alliance in South East Asia
ASEAN	Association of Southeast Asian Nations
CAMORG	Cambodian Organic Agriculture Standards
CASP	Core Agricultural Support Program
CEDAC	Cambodian Center for Study and Development in Agriculture
COD	Center for Organic Development (Cambodia)
COFCC	China Organic Food Certification Center
COrAA	Cambodian Organic Agriculture Association
CSA	Community Supported Agriculture
DARD	Department of Agriculture and Rural Development
DOA	Department of Agriculture (Lao PRD)
FAO	Food and Agriculture Organization of the United Nations
GDA	General Directorate of Agriculture (Cambodia)
GMS	Greater Mekong Sub-region
IFOAM	International Federation of Organic Agricultural Movements
PGS	Participatory Guarantee System
MAFF	Ministry of Agriculture, Forestry and Fisheries (Cambodia)
MARD	Ministry of Agriculture and Rural Development (Vietnam)
MoA	Ministry of Agriculture
MOGPA	Myanmar Organic Grower and Producer Association
NAV	Natural Agriculture Village Show (Cambodia)
SAEDA	Sustainable Agriculture & Environment Development Association
TA	Technical Assistance
TOAF	Thailand Organic Agriculture Foundation
TOT	Training of Trainers
VOAA	Vietnam Organic Agriculture Association
WGA	Working Group on Agriculture (ADB)

# 1. Introduction

This is the Final Report for the Asian Development Bank (ADB) Technical Assistance Project TA 8163-REG: Implementing the Greater Mekong Sub-region Core Agriculture Support Program (Phase 2), hereafter referred to as the TA.

## 1.1. Background

Under the Core Agricultural Support Program Phase II (CASP II), the countries of the Greater Mekong Sub-region (GMS) aim to be recognized as the leading producers of safe food, using climate-friendly agricultural practices, and integration into regional and global markets through the region's economic corridors. CASP II is guided by three strategic pillars: (i) pillar 1 seeks to build global competitiveness by promoting food safety and modernizing agricultural trade through the introduction of ICT and harmonized certification systems; (ii) pillar 2 promotes climate-friendly agriculture through a market-based strategy to ensure food security, while rewarding farmers for their ecosystem services; and (iii) pillar 3 promotes agriculture as a leader in providing clean renewable rural energy through efficient use of biomass for bioenergy, while ensuring food security.

## 1.2. Objectives

The objective of this TA was to introduce Participatory Guarantee Systems (PGS) in the GMS countries as a methodology that can help facilitate pro-poor development by providing a viable alternative to expensive third party certifications that will enable smallholders to better access and participate in local and regional markets.

The TA promoted and developed capacity for key stakeholders building from a Regional PGS Workshop (March 2014) and subsequent National PGS Workshops in each GMS country (March 2014 – April 2015) that served to identify key stakeholders and then supported the design and implementation of at least 2 PGS initiatives in each country. The documentation developed to support this process contributed to the overall PGS knowledge pool both for the region and globally and also to the preparation of distance learning materials and the formulation of recommendations on PGS arrangements for national and regional policy development.

At the national level the objective is for PGS to be recognized and supported through government policies and the regional level for PGS certified products, from each country to be traded throughout the GMS.

## 1.3. Scope of Work

This TA aimed to build an understanding of the practical applications of PGS amongst key stakeholders and to promote the adoption of PGS amongst small holder farmers as a mechanism to improve market access for their products, including cross-border trade, improved incomes and expanded are-

as of 'green' and organic agri-food production in the GMS countries. The dynamic of this process brings together various stakeholders including traders to help consolidate and build inclusive 'green' value chains. At the national level the TA promoted PGS development through capacity building and pilot projects in Cambodia, People's Republic of China, Lao PDR, Myanmar, Thailand, and Viet Nam and at the regional level encourages the GMS country members to promote the recognition of PGS by a regional platform (ASEAN).

The TA document describes a project in 2 phases with 3 countries Cambodia, Lao PDR and Thailand targeted for Phase 1. However, given that Cambodia had yet to begin PGS activities and Viet Nam had already (since 2009) established two PGS initiatives, one for safe vegetables (Viet Gap) and one for organic (IFOAM Standards) and also begun to develop a PGS network, the consultants in consultation with the ADB Project Officer agreed to move Viet Nam to phase 1 and Cambodia to phase 2. In this way Viet Nam provided practical models and lessons learned that helped fast track PGS development in the other GMS countries.

As foreseen the TA focused initially in three countries: Lao PDR, Thailand and Viet Nam. However soon it became apparent that an overlap of the 2 phases was inevitable. The early phasing of a Regional PGS Workshop in March 2014 stimulated interest in PGS in all 6 countries creating an expectation that at least the National Workshops take place for all 6 countries already in the first phase of the TA. As the concept of PGS was rather new for the phase 2 countries it was also soon understood that the countries would benefit from having more time to learn and get familiar with the principles and procedures of PGS. Consequently it was agreed between ADB and IFOAM - Organics International staff to informally abolish the 2 phases and implement activities in all 6 countries throughout both phases.

The IFOAM – Organics International Team implementing the activities consisted of the following 3 members:

- Mr. Christopher May (Regional PGS Specialist and team leader)
- Mrs. Nhung Tu Thi Tuyet (Training and systems specialist Viet Nam) will undertake duties relevant to her skills and experience.
- Mr. Phouvong Chittanvanh (Training specialist Lao PDR) will undertake duties relevant to his skills and experience.

In addition the PGS Coordinator, Cornelia Kirchner was involved for overall coordination on behalf of the Head Office of IFOAM – Organics International.

The IFOAM PGS specialists worked under the guidance of the WGA Secretariat Manager and ADB Project Officer in coordination with the GMS WGA Secretariat National Focal Points and National Secretariat Specialists (NSS) in each of the GMS countries. The National Secretariat Specialist helped in obtaining the necessary approvals from authorized bodies for smooth implementation of the activities in the project.

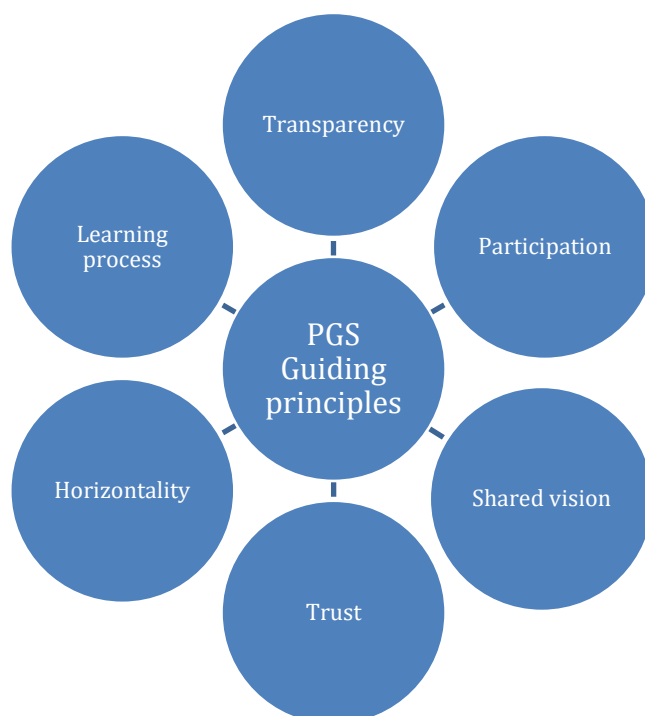
The IFOAM PGS specialists applied an inclusive and participatory approach that is integral to the PGS process, especially encouraging the engagement of stakeholders and poor women farmers; disseminating information regarding

PGS; integrating smallholders into the PGS system; and obtaining feedback from stakeholders.

The TA aimed to promote GMS government engagement and responsibility, thus technical staff from the ministries of agriculture in the GMS countries were encouraged along with interested civil and private organizations to participate in capacity building activities and training workshops on PGS. The consultant worked in close collaboration with designated officers in the relevant agencies in each country to deliver the project outputs, and ensure continued application and scaling up of the PGS approach. The TA provided training to officers and relevant technical staff, as well as smallholder farmers and private organizations.

#### 1.4. PGS Concept and Relevance to the GMS

*“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.”* (IFOAM - Organics International Definition)<sup>1</sup> PGS fit well within the context of the GMS with its diversity of cultures and production systems. It is an inherent strength of PGS that they have developed independently in different countries and cultural contexts in response to the various challenges faced by producers, consumers and stakeholders in the organic sector and more recently the paradigm has broadened its reach as a pro-poor development tool to encompass other small holder production activities.



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<sup>1</sup> [www.ifoam.bio/pgs](http://www.ifoam.bio/pgs)

All PGS initiatives around the globe are shaped by basic guiding principles and a framework of common elements that form the structure for the PGS assessment process but also allow for the adaptation of these elements to specific contexts. These commonalities include standards and norms, pledges and or contracts, documented management systems and mechanisms to verify compliance, seals and labels, and defined consequences for non-compliance.

A feature of PGS is in the way they engage producers, consumers and other stakeholders in:

- In the shaping and selection of standards,
- The development and implementation of verification procedures, and the
- Engagement of stakeholders in the review and decision making process to recognize compliance.

PGS initiatives, once termed alternative certifications, have existed for many years but there has been a significant increase in the number of new initiatives being launched since 2005. This expansion coincided with the period after the first "International Workshop on Alternative Certification", in Torres, Brazil, 2004 when the PGS process was documented by IFOAM - Organics International. Since then the number of PGS initiatives worldwide have steadily increased, a likely a response to the growing awareness of the potential for the application PGS methodology as a tool for improving livelihoods in rural areas and contributing to sustainable development<sup>2</sup>.

Even though the reasons for creating alternative certification systems might differ, one strong driver has been the fact that third party certification systems are often unsuitable for small operators use to access local market channels, in terms of the complexity of their norms, required paperwork and as well as the costs involved. This constraint is clearly reflected in the fact that even though third party certification services are available in the GMS there are very few producers certified to supply local markets<sup>3</sup>.

Data collected by IFOAM – Organics International indicates that at least 130 PGS initiatives are now established on all continents, and at least another 130 are currently under development. PGS are spread over 73 countries. For the GMS countries there are at least 48 PGS groups with more than 2,500 farmers involved. Worldwide there are more than 130,000 PGS producers (farmers and processors) currently involved in PGS. The leading countries in terms of producers involved in PGS are India (40,000), Peru (21,500), Kenya (12,500) the Philippines (10,500) and Bolivia (9,000).

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<sup>2</sup> Scialabba, Nadia: "Organic agriculture and food security." International conference on organic agriculture and food security. FAO, 2007.

<sup>3</sup> Third party certification costs vary depending on the certification body and the size of the group. The certifiers costs are fixed thus with small groups the costs to each producer will be higher than when the group is large. PGS groups are usually small and farmers poor making third party certification too costly.



## 1.5. PGS Status in the GMS Countries

Country	Number of PGS Initiatives	Number of Farmers involved	Institutions and organizations supporting PGS	Number of National PGS Trainers	Products certified with PGS	Existing forms of markets
Cambodia	13	> 180	General Directorate of Agriculture (GDA), The Cambodian Center for Study and Development in Agriculture (CEDAC), Caritas, Center for Organic Development (COD), Natural Agriculture Village Shop (NAV)	6	Vegetables	Weekend markets, home delivery, NAV and other green shops
Lao PRD	3	> 250	GRET, Sustainable Agriculture & Environment Development Association (SAEDA), Department of Agriculture (DoA)	5	Dried bamboo, fruits and vegetables.	On-farm sell, Farmer Organic Markets (twice/three times a week), Wholesale approach (wet market), supermarket, export market (Viet Nam for dried bamboo)
Myanmar	8	> 100	Department of Agriculture; Department of Agriculture Research; Department of Agriculture Planning; Myanmar Fruit , Flower and Vegetable; Myanmar Organic Grower and Producer Association (MOGPA), Agro-ecological Learning alliance in South East Asia (ALiSEA)		Vegetables, fruits, coffee, rice	Super markets and local/farmers markets
People's Republic of China (Guangxi)	2	> 120	Farmers Seed Network (China), OXFAM HK, Urban consumer associations, Eco-restaurant chain, Guangxi Academy of Agricultural Sciences, Designated Government departments		Vegetables, Rice-Duck	Local eco-restaurants, urban farmers markets, Urban consumer associations, Designated Precision Poverty Reduction government departments, E-Commerce (Alibaba, rural E-commerce hub)
Thailand	16	> 1500	Earth Net, Lemon Farm, Thai Organic Agriculture Foundation (TOAF), POAA		Rice , other cereals, vegetables, fruits, pork, egg , chicken, fish	Local green markets, Hotels, At farm gate, Exhibitions, Traders
Viet Nam	5	> 350	Vietnam Organic Agriculture Association (VOAA)		Fruits and vegetables	Weekend markets, retailer shops, home delivery, Fairs
<b>Total</b>	<b>48</b>	<b>&gt; 2500</b>				

## 1.6. Technical Approach and Methodology

PGS evolved around structural elements within which various cultural norms can be captured and expressed. This means that between PGS there are differences in the way these structural elements are designed and operate. The dynamic of this process is one of the fundamental ideas of PGS and is what sets it apart from other types of certification. The challenge for every PGS development project is to ensure that this idea is understood and is reflected in the PGS pilots that are supported.

Thus, the methodology for shaping the pilots must demonstrate in a hands-on way, how to integrate and blend cultural norms into the working structure of a PGS and document both the process and the output. In this context the development of a PGS brings together training in participatory methodology and the technicalities of certification and provides examples for others to share and learn from.

By bringing key stakeholders together particularly buyers and producers enhances the potential for trust and commitment in the buying and selling process that is reflected in the commitment to buy for a fair price, to sustain and honor contract arrangements and to produce to a consistent standard.

Because PGS aims to engage a wide range of stakeholders in each aspect of its development and operation it is important (when possible) for these stakeholders to be working as a team. In this way 'sharing the vision' provides a collective focusing point for shaping the PGS. From this point the steps are sequential in that they proceed to build the vision into a functional PGS.

Within this context the TA was designed around the following activities:

- Regional workshops to launch and conclude the project.
- National workshops in each GMS country to engage governments and other stakeholders and to provide the entry point for starting or building on existing PGS initiatives.
- Development of criteria for the selection of PGS pilots.
- 2 PGS pilots in each country supported and monitored.
- Resources and training materials developed into a distance-learning package.
- National level support for the recognition of PGS in National Policies.
- Regional level support for the recognition of PGS across the GMS countries.

## 1.7. Summary of activities completed

### **Preparation and initial data gathering**

The first step in the project process was to expand on the existing information on the status of PGS activities in each country and through this process help to identify the key stakeholders to take part in national workshops.

A desktop survey was carried out, whereby, known agencies active in small-holder development as well PGS or organic ICS practitioners were contacted in each of the GMS countries and invited to contribute information on their knowledge and the status of PGS in their countries. Interesting data was gathered from China (where CSA rather than PGS are well established), Viet Nam (where PGS have been established since 2008) and Thailand (where PGS have been slowly evolving) but for Cambodia, Lao PDR and Myanmar there are no PGS activities reported.

### **GMS Regional Workshop**

The PGS project was officially launched via a regional workshop that was held on 5-6 March 2014 in Hanoi/Viet Nam attended by 52 invited representatives from the 6 GMS countries.

This activity was an addition to the planned TA program and was directly supported and managed by ADB. The workshop provided not only an excellent opportunity to bring together a cross-section of key stakeholders to create and deepen an understanding of PGS but also to build the rationale for a regional approach to developing PGS and a collective understanding of the role PGS can play in support of pro-poor development.

In addition, the Regional Workshop served to highlight the need for changes to the project delivery schedule, as countries including Cambodia and Myanmar expressed the strong need for their National Workshops to be fast tracked from 2015 into 2014.

Key outputs from the Regional Workshop included an enhanced understanding of how PGS can contribute to creating trading opportunities for small holders at both national and regional levels including some practical guides as to how this can be achieved; a template describing basic criteria that can be used for selecting PGS pilots (Situation Analysis) and a schedule for the timing of the National workshops for each country.

From a project implementation perspective, the Regional Workshop helped to facilitate a strong working relationship with key stakeholders prior to their national workshops and this made the organizational arrangements easier and set the way to smooth the project implementation process in each country.

The WGA Secretariat provided excellent support in the organization of the regional workshop and ADB has agreed to cover the costs for the events from outside the contract.

### **National workshops**

Six PGS national workshops were held, one in each project country:

- 03 March 2014: Viet Nam (63 participants)

- 15 May 2014: Lao PDR (35 participants)
- 20 May 2014: Thailand (56 participants)
- 07 October 2014: Cambodia (39 participants)
- 16 October 2014: Myanmar (37 participants)
- 14 April 2015: PR China (48 participants)

These workshops were organized to introduce the PGS concept to both government and non-government agencies that are engaged in certification and supporting smallholder producers and with this stakeholder group identify potential situations and actors interested in initiating PGS pilots.

The workshops were organized with the following objectives:

- (i) To introduce the PGS project to key stakeholders (interested in organic and small holder certification);
- (ii) To provide background and examples of how PGS can be applied to help facilitate pro-poor development;
- (iii) To review the current status of organic certification activities in each country as they impact on smallholders;
- (iv) To scope the role and responsibilities of government, NGO's and private sector in the development of PGS in each country;
- (v) To identify potential PGS pilots.
- (vi) Shape a work plan for the implementation of the pilots.

### **PGS pilot selection and support**

According to the contract between ADB and IFOAM – Organics International a minimum of 2 PGS pilots were to be established in each of the 6 GMS countries.

As a first step in the process, guidelines for the selection of pilots were drafted. The basic set of guidelines was developed during the Regional and Viet Nam National Workshops in March 2014.

These basic guidelines were:

- Pilots should have the funds and capacity to carry the PGS process forward as the TA provides only technical input thus they require their own funding to manage both implementation and ongoing management.
- Ideally the pilots have support from local government (policy, funding, technical).
- Ideally there are already established linkages to markets or at least interested agents interested in buying.
- Production area(s) with the productive capacity should be commercially viable and numbers of producers sufficient to sustain a PGS.
- Producers should be willing to convert their practices to organic (if they are not already organic).
- NGOs providing support farmers to promote PGS, link to markets etc.

After being selected as a pilot, the groups received various support including field visits by the experts of IFOAM – Organics International, situation assess-

ments, training of trainers, hands-on support in the development of the procedures etc. The amount of support varied depending on the specific needs of each PGS pilot. (For more details see the country reports).

Not all PGS pilots identified at the National Workshops developed into successful pilots. In China for example the pilots identified at the National Workshop proved to be unsuitable when the field analysis was undertaken leading to a review of how the TA would support PGS development in China. Later under the guidance of the Nanning PGS and OXFAM (HK) a new program was developed and supported with technical input from IFOAM – Organics International in March 2016.

Mobilizing the PGS pilots identified at the national workshops was also complicated in Lao PRD, Cambodia and Myanmar due to confusion by all the stakeholders over the allocation of government funding to support parallel PGS developments run by government departments. This funding was allocated via the ADB LoA to the GMS country governments<sup>4</sup>. The lack of coordination by ADB between IFOAM – Organics International and the various government departments meant that the government projects were less able to directly benefit from the technical support of the TA.

A key lesson demonstrated through the implementation process was the importance of engaging the private sector as active stakeholders in the process to build trust between the farmers and buyers and provide the market.

Although government initiatives were less proactive with market engagement and therefore less successful in establishing sustainable PGS models, importantly the experience gained has enabled key staff to understand the benefit of PGS to smallholder agriculture and the importance of providing policy that supports the development of PGS.

In the meantime, PGS already expanded beyond the initial pilots in several GMS countries and new groups have started to develop in the meantime.

The following PGS pilots were supported through this TA:

### **Viet Nam**

1. Thanh Dong PGS group in Hoi An City
2. Hoi An District PGS Management Committee in Hoi An City (expanded to include 2 groups).
3. Tan Lac PGS in Hoa Binh Province

### **Thailand**

1. TOAF PGS supported by Thailand Organic Agriculture Foundation (supports several PGS initiatives including Saphran Riverside weekend market and the farmers supplying this market).
2. Lemon Farm PGS in Mae Hong Sorn Province (Lemon Farm has continued to develop an additional 9 PGS groups based on the IFOAM PGS approach)

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<sup>4</sup> The allocations to PGS activities via LoA's, created two parallel PGS projects (one via IFOAM ADB and the other via LoA's to governments). Without direction from ADB an opportunity was lost to rationalize technical and financial resources made available by ADB that could have provided for a coordinated approach to PGS development in each country.

## **Lao PDR**

1. Xieng Khouan PGS (about 70 producers, local market vegetables)
2. Houaphan PGS (5 villages with dried quality bamboo shoots, selling the processed product to a market in Hanoi)
3. Savannakhet PGS (about 5 producers, local market vegetables)

## **Cambodia**

1. Natural Agricultural Village PGS at Sa Ang (expanded from 7 to 25 farmers)
2. PGS supported by CEDAC Phnom Penh in Relar Saroung District
3. Green Farmer Group PGS supported by Caritas Cambodia at Battambang (now expanded to 2 groups)
4. Center for Organic Development (COD) - Chambork Meas Organic Vegetable Producer Group Bak Khen Commune near Phnom Penh (this initiative stopped when the farmers failed to fully adopt organic production).

## **Myanmar**

1. Sein Lai Oo PGS in the Hmawbi District located close to Yangon covering a range of different crops and fruit products and involves around 7 producers. Recently developed an organic demonstration farm.
2. Mushroom PGS involves 7 'organic' mushroom producers close to Yangon.
3. Genius Coffee PGS involves around 200 smallholder coffee smallholder producers working with Genius Coffee in Ywar Ngan District, Shan State (local market and export coffee, PGS helps to support the social responsibility component of the Genius business approach).
4. Lovely Organic PGS involves 20 'organic' rice producers located close to Mandalay (new group now supported by MOGPA).

## **China (Guangxi Province)**

1. PGS Mashan Ronyan Ecological Management Professional Cooperative in Guzhai village with 40 households breeding producing corn, vegetables and pigs and participating on a monthly basis in the Nanning farmers Market.
2. PGS Du'an Nonglv Healthy Ecological Planting Professional Cooperative in Nonglv village with 70 households has been part of a participatory rice seed breeding (traditional varieties) and producing paddy and ducks.

## **Knowledge Products**

A set of knowledge product materials aiming at raising awareness on PGS were developed including material in the six local languages. A policy brief on PGS for the GMS has been prepared. A PGS handbook and distance learning materials including a comprehensive power point presentation in 6 models with notes for trainers and various guidelines for PGS trainers and PGS groups were produced. Additional templates, tailored to the needs of the PGS groups were prepared by the IFOAM – Organics International team to help facilitate PGS implementation. These include examples of a framework for a PGS Operations Manual; PGS Summary Standards; Farm Details template; Internal Monitoring Checklist and Certification Committee Assessment Guidelines.

## 2. Country reports

### 2.1. Viet Nam

#### Status of PGS in Viet Nam

The first PGS initiatives began near Hanoi in 2008 supported by ADDA, a Danish NGO. The TA built on the PGS experiences of ADDA and provided support for Action for the City (NGO) and Department of Economics Hoi An to develop and then expand PGS pilots in Hoi An (now at least 2 PGS groups). In addition a pilot was initiated by the Viet Nam Organic PGS Group with TA support in Tan Loc Commune, Hao Binh Province in 2015.

Recently ADDA has started a new project help strengthen the framework for marketing and production of organic agriculture with Vietnam Organic Agriculture Association (VOAA) as the main partner. This project covers two districts Luong Son and Tan Lac of Hoa Binh (Tan Loc PGS pilot) province but not Hoi An. VOAA is gradually developing as the coordinating body for PGS in Viet Nam.

Overall Viet Nam is well served with strong technical support from the Viet Nam Organic PGS Group and there is a growing market for PGS certified products with several active retailers. One retailing company Bac Tom (with 7 stores in Hanoi) is now in the process of sourcing PGS certified dried bamboo shoots from a PGS pilot group in Lao PDR (Houphan Province near the Viet Nam border). This situation is very interesting as it raises the opportunity for PGS certified product from one country to be recognized in a market outside their national borders.

For the TA the Viet Nam example provides an opportunity to demonstrate how PGS can be developed as a regional as well as a local certification. This is important on several levels as it broadens the scope for PGS as a marketing tool for smallholder enterprises and takes a step towards PGS being assimilated within the ASEAN context.

#### Overview of project activities in Viet Nam

- March 2014: National workshop and identification of PGS pilots
- June 2014: PGS pilot situation analysis and training of trainers
- October 2014: FFS for PGS farmers
- June/August 2015: PGS follow-up support and training of trainers in Hoi An
- October 2015: PGS follow-up, meeting with VOAA



- December 2015: Tac Lac new PGS (situation analysis)
- January 2016: Workshop/meeting consumers and retailers; New PGS Tac Lac.
- June 2016: PGS expansion in Hoi An

## **Background for PGS development in Viet Nam**

Participatory Guarantee Systems were first developed in Viet Nam by the ADDA in 2008. Their project concluded in 2012 and now the organic PGS are managed by the Hanoi Organic PGS. The Viet Nam Organic PGS Standard is now recognized within the IFOAM Family of Standards and the Hanoi Organic PGS is also registered and recognized by IFOAM – Organics International. Currently the Hanoi Organic PGS has 300 certified producers producing organic vegetables on 38 ha.

Since 2008 two other PGS, that are not organic, were set up by VECO (INGO from Belgium) using PGS as a mechanism for certifying ‘safe vegetables’ (based on the Viet GAP standards). Both these initiatives have since ceased functioning due to the lack of market engagement and support.

Since 2008, there has been interest from various stakeholder groups to establish an umbrella organization to guide PGS development in Viet Nam this interest has now been formalized in the Viet Nam Organic Agriculture Association (VOAA). This initiative has been driven by NGO and private sectors and has recently gained recognition from various government agencies.

Meetings have now begun between the VOAA and MARD discuss how to establish formal recognition of a Viet Nam Organic Standard (as a regulation) and policies that provide direct support for PGS.

## **National Workshop**

The Viet Nam National Work was held on 7 March 2014. The workshop brought together more than 50 stakeholders from government agencies, NGOs, private sector traders and retailers, consumers, farmer groups and academic institutions. Viet Nam has two established PGS (since 2008) that provided contrasting examples for how PGS can be applied. An analysis of these examples helped to create an awareness of both the opportunities and challenges surrounding the adoption of PGS in Viet Nam; they also provided guidance for the development of criteria for the selection of PGS pilots and roles the different stakeholders might play in supporting the development of PGS in Viet Nam and in addition they highlighted the need for the establishment of a national body to coordinate PGS activities. At the conclusion of the workshops a number of possible PGS pilots were identified.

## **Pilot selection and assessment**

Hoi An was one of the pilots identified at the National Workshop. The assessment of the Hoi An pilot was undertaken in March 2014. This process included a site visit and capacity assessment of both the farmers and Action for the City. The pilot group has skilled farmers, located close to their market with strong



technical and funding support from Action in the City. A conceptual operational framework for a 2ha site and 40 households was mapped out and a training support program designed.

Under the umbrella of the Department for Economic Development (Hoi An) the Thanh Dong PGS was established as a second pilot. The group is located close to Hoi An with 10 farmers producing organic vegetables on 1 ha of designated land. Because of the close proximity to Hoi An city to the PGS site 'agri-tourism' will be a core element of this PGS's income stream. They already have 'tourism' experience within the group and there are other models for similar (but not organic) activities operating successfully nearby.

The project team also explored the potential for agri-tourism to become part of the Hanoi Organic PGS in Soc Son but so far the group has chosen to focus only on production.

Support to Tan Lac (Hoa Binh province) PGS, a third PGS pilot, started only in 2015. Due to Tan Lac being about 150 km from Hanoi city it is not convenient to deliver fresh products to Hanoi markets, thus the target is local markets. Stakeholders including Seed to Table, CECAD, VECO formulated an action plan. A decision was made to establish cooperation between the Department of Agriculture, rural development actors and NGOs (including IFOAM – Organics International) to work together to establish PGS Tan Lac.

### **Pilot support**

Training and support to the pilots was carried through the whole period for the two pilots in Hoi A starting in March 2014. Hands-on training for the implementation of PGS has been completed. The model in Hoi An is interesting as it serves to demonstrate how an NGO and a government department can collaborate to implement and manage PGS. The DoE provides the infrastructural support and some funding while Action for the City provides support for commercializing the PGS and marketing products. In June 2016 Mrs. Nhung Tu Thi Tuyet facilitated 3 days of training and technical support working with the trainers from the Economic Department Hoi An for the development of a new PGS in Cam Kim Commune Hoi An as well as a survey to support the conversion of an area to organic corn production.

A stall has been established at the local market in Hoi An and is selling 500 kg organic PGS product each day. Thanh Dong, the first PGS established in Hoi An is selling vegetables to the market and also gains income from farm tours . By early 2016 there have been 151 tours with 6430 visitors.

In October 2015 training for PGS Hanoi to strengthen existing PGS was held. Participants were members of Coordination Committee from Hanoi and other provinces and they are now formalized as the Viet Nam Organic Agriculture Association.

Support workshops for PGS Tan Lac in cooperation with CECAD and VECO were carried out in 2015 with follow-up in 2016 that included a PGS farmer field school facilitated by Mrs Nhung Tu Thi Tuyet. This Tac Lac initiative is interesting as it engages with ethnic minority groups producing pigs, chicken and vegetables. The vegetables are produced on a small scale for home consumption

and local markets in Hoa Binh. The Viet Nam Organic PGS group has continued to provide ongoing support for the group and help build demand for the chicken and pigs in Hanoi.

Overall PGS systems and practices are now well established in Viet Nam. The market for organic product is gradually expanding and so is the demand from consumers for credible product certification.

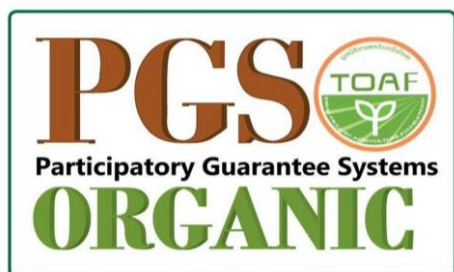
This awareness highlights the need to secure both the production base and the integrity of the supply chain. PGS certified products must remain secure from farm to shop in order to provide the assurance consumers need. The role of the VOAA in providing direction and monitoring of the supply chain will become increasingly important as more actors becoming involved. So far it appears that key retailers have taken a socially responsible approach to ensuring traceability for the organic products they purchase at the farm gate and sell in their shops. These systems can serve as a model (minimum standard) for other actors wanting to enter the organic market. Strengthening the supply chain will be an important opportunity for the VOAA.



## 2.2. Thailand

### Status of PGS in Thailand

The TA supported two independent PGS initiatives:



The first was with the Thailand Organic Agriculture Foundation (TOAF) where the IFOAM - Organics International team provided training for the TOAF team and templates for the documentation of PGS activities. As result of the training a PGS pilot was initiated in Khampangsan with 17 households. Soon after the training was completed TOAF re-

ceived funding support from the Thailand Government (via a LoA with ADB) to promote PGS in Thailand. As result of this funding support TOAF mounted an extensive promotion and training program to launch several new PGS initiatives throughout Thailand. These initiatives included working with the Samphran Riverside Resort to support the setting up of a weekend market for organic and PGS products. This market is now running successfully.



The pilot organization for the second PGS initiative was with Lemon Farm a private sector (social enterprise) with 13 stores and cafes in Bangkok. The IFOAM - Organics International team provided training and documentation for 1 pilot in Mae Hong Sorn (9 households) that supplies various fruits to the Lemon Farm cafes and stores. Lemon Farm participated in several follow-up meetings in 2015 and 2016 with the project team to review the progress. Lemon Farm has built on the Mae

Hong Sorn experience and ongoing support by the TA team to expand the suppliers to their stores to 9 PGS groups in different locations around Thailand.

### Overview of project activities

- May 2014: National workshop Bangkok
- June 2014: Follow-up workshop for stakeholders to identify pilots and initiate situation assessments for the proposed pilot groups.
- July 2014: 2 day training sessions for TOAF and Lemon Farm PGS trainers from both Phouvong Chittavanh and Christopher May.
- September 2014: Review progress and follow-up training support for both teams and hands-on implementation with TOAF pilot group.
- October 2014: Follow-up to review progress in field both TOAF and Lemon Farm
- May 2015: Follow-up meetings in Bangkok to review progress in field TOAF and Lemon Farm.
- February 2016: Meetings with TOAF and Lemon Farm to review progress.
- May/June 2016: Presentation at workshop to promote PGS in Thailand organized by TOAF; meeting with TOAF and meeting with Lemon Farm to review progress.
- March 2017: Review of the Lemon Farm PGS, update on progress and site visits to Nan Province to support 2 new PGS initiatives. With TOAF made site

visits to Samphran Riverside weekend market and visited 3 PGS farming enterprises supplying the weekend market.

## **Background for PGS development in Thailand**

Thailand has an established organic sector with both Regional and National Organic Standards and a government managed certification body providing third party certification as a free service. Thailand also has a number of private organic initiatives that provide PGS arrangements for groups of small holders and ACT (Thailand), an established and international accredited certification provider.

The demand for organic product is growing in terms of the value of fresh and processed products by more than 18% per year mainly through supermarkets such as TOPS and specialty stores such as Lemon Farm.

PGS is supported by both government and the private sector. From the government side TOAF (Thailand Organic Agriculture Foundation) provides linkages with various government departments to facilitate PGS activities and the Earth Net Foundation (INGO) provides for PGS coordination under the Thailand Organic + umbrella. Lemon Farm is aligned with both initiatives with linkages and supermarket such as TOPS are also supporting PGS.

The TA is aimed at strengthening the opportunities for small holders to access local markets in ways that are complimentary to existing initiatives and strengthen the overall support infrastructure for PGS in Thailand.

## **National Workshop in Thailand**

The Thailand National PGS Workshop was held on the 20 May 2014 in Bangkok and was attended by more than 60 persons representing government departments, NGO's and the private sector. The overall purpose of the workshop was to present the TA; provide examples of PGS (including Viet Nam) and scope the options for PGS pilots in Thailand.

A number of issues were discussed at the workshop and agreement was reached on the important of PGS and the need for pilots to be developed and implemented as models. A number of pilots were proposed but it was not possible to proceed with selection due to confusion around another ADB fund that is in place to support PGS initiatives and how this funding arrangement would fit with the TA. Thus, it was resolved to have a follow-up meeting to clarify the role of the ADB fund and to follow through with the selection of pilots.

An important outcome from the National workshop and subsequent follow-up meeting is the need to establish a national support infrastructure to coordinate PGS developments and activities in Thailand. Subsequently this has proven to be a significant challenge due to many factors that have yet to be resolved.

## **Pilot selection and assessment**

After the National Workshop a follow-up meeting with key stakeholders was organized (June 2014) to select pilots. ADB clarified the funding arrangements for

the pilots and two pilot activities were selected Lemon Farm (with 5 producer groups) and Thailand Organic Agriculture Foundation (TOAF).

Lemon farm is a not for profit social enterprise running 13 specialty organic stores with cafes in Bangkok.

It was agreed that the project would support the development of Lemon Farm as a PGS Operator managing 5 PGS groups: Mae Hong Son (93.5 rai, 24 families producing mostly fruits); Ubon Ratchathani (340 rai, 40 families producing mostly vegetables and rice); Ban-Thanon (Surin) (100 rai, 20 families producing rice); Mae Taeng (80 rai, 18 families producing rice, soybean and herbal teas) and Suphan Buri (12 rai, 10 families producing vegetables). Lemon farm has 13 retail stores in Bangkok and will provide the main market for all products grown.

TOAF working through the Government Departments for Rice, Extension, Fisheries and Agriculture and some private sector stakeholders with the aim of promoting organic agriculture and support for the development of PGS.

It was agreed that TOAF would manage the development of a PGS in Khamphansan working with 5 different producer groups with TOPS supermarkets and Samphran Riverside Hotel chain will providing the main markets. There are two aspects to their PGS arrangements – to facilitate PGS pilots and to set up the infrastructure to coordinate PGS in Thailand. The TA PGS pilot has two focus points:

- **Infrastructure** to support TOAF and other stakeholders to help develop a national support infrastructure for PGS.
- **PGS (Khamphansan) group** to serve as an opportunity for TOAF to gain hands-on experience in PGS design and implementation.

### **Pilot support**

First training sessions aimed at shaping the PGS implementation process, were organized for 30 June 2014 with Lemon Farm and 1-2 July with the TOAF and supporting government departments. Later-on follow-up trainings and activities took place.

For the Lemon Farm PGS in Mae Hong Son the PGS process is complete and certificates have been issued and Lemon Farm has been expanding its systems to 9 new locations. The commercial focus of Lemon Farm is important as it provides both technical support and markets for the products.

TOAF also updated their program and they have PGS activities in 5 locations - Tubthai Surin, Sookjai Nakhom Pathom, Chang mai, Mae Mok Lampang and Sritehp Phectcabun. In March 2017 IFOAM followed through with site visits to Samphran Riverside Market and supporting farms linked together as the Sookjai Organics PGS Group comprising of 6 PGS groups (Phee Nong, Hin Moon, Klong Bang Kaew, Hom Kled, Pho la-soo and Sookjai Organic Rice groups). Most of the farmers in these groups are also 3rd party certified by ACT. TOAF PGS certified products can be found in TOPS Supermarkets and various other outlets.

## 2.3. Lao PRD

### Status of PGS in Lao PDR

PGS in Lao PDR is under the management umbrella of the Department of Agriculture (DoA) based in Vientiane. The DoA also manages the organic third party certification program for Lao PDR.

There are 3 PGS pilots in Lao PRD. In Xieng Khouan (about 70 producers, local market vegetables); Houaphan (5 villages with dried quality bamboo shoots supported by GRET (INGO) and Savannakhet (about 5 producers, local market vegetables).



Initially the TA and now the DoA is providing support to the PGS pilots supported by government funding via a LoA from ADB to the Government.

Through 2015 and 16 the DoA undertook various training programs to promote PGS, including September 2016 in Houphan to finalize the certification process for dried bamboo shoots to be sold in Viet Nam to Bac Tom an organic product retailer based in Hanoi and a national training in early 2017.

A significant challenge for the development of PGS in Lao PRD is the limited market (small consumer demand) and the small-scale activities of the existing private sector actors engaged in selling organic products. For Xieng Khouan and Savannakhet the farmers sell direct to consumers via local markets but for Houaphan the markets are all outside the province. The most valuable market is in Viet Nam where quality dried bamboo shoots can be sold for a premium price targeting the TET market. The additional income to the pilot group from selling quality dried bamboo shoots to Viet Nam compared to selling in the Lao PRD local market equates to an estimated US\$ 18,000 per 2-month season, thus, the importance of the market in Viet Nam cannot be overstressed as bamboo shoots provide the bulk of the farmer incomes.

Bac Tom (with 9 retail stores in Hanoi) has linked with the Huaphan PGS and is now working to support the production system and purchase the finished products.

A 2016 Government regulation prohibiting the export of NFP's is a problem that must be resolved. GRET (NGO Bamboo Project based in Houphan) gained a temporary waiver for the 2016 bamboo shipment to be exported and is now working with PAFO in Huaphan to find a long-term solution.

### Overview of project activities

- May 2014: National workshop
- June 2014: Follow-up on national workshop, site assessments
- November 2014: Training of trainers
- April 2015: Follow-up support
- January 2016: workshop in Xieng Khong facilitated by DoA training for pilot group teams, review progress and map way forward.

- During 2016 the project team has provided ongoing technical (via email exchanges) support to the GRET team who are leading the development of the Houphan bamboo shoot project. This support has focused mostly around marketing strategies and building linkages with the buyer (Bac Tom) in Viet Nam.
- Feb 2017: Follow-up workshop with DoA and 3 pilot groups to review procedures.

## **National Workshop**

This National workshop was held in Vientiane on 15 May 2014 and attended by 31 invited participants representing government officials, non-government organizations, small & medium enterprises, civil society leaders, and other key stakeholders. This National workshop was organized with the following purpose:

- To introduce the PGS project to key stakeholders (interested in organic and small holder certification);
- To provide background and examples of how PGS can be applied to help facilitate pro-poor development;
- To review the current status of organic certification activities in Lao PDR;
- To scope the role and responsibilities of government, NGO's and private sector in the development of PGS in Lao PDR;
- To identify possible PGS pilots and develop a Project implementation framework.

The workshop concluded with a short discussion regarding criteria to be considered for the selection of pilots. Several pilots were proposed but none was selected, as more information is required in order to ensure that the basic criteria can be met.

Overall the workshop was a success, the stakeholders participated actively and the open and constructive input from government helped to create a strong synergy between all the stakeholder groups leading seamlessly to a clear pathway forward.

## **Pilot selection and assessment**

Following on from the National PGS Workshop it was agreed by the stakeholders present to proceed with the development of PGS as follows:

Step 1 The IFOAM Project team will work with the MAF certification body (DOA) to review their current organic certification arrangements with the view to include PGS within their certification system and the development of a logo specific to PGS (are currently using the organic logo). Develop the various templates and documents required will be developed for supporting MAF's role and the role of PGS operators in order for DoA to be able to implement PGS.

Step 2 A stakeholders meeting will be convened (as agreed at the workshop) to select at least two pilot sites (8 pilots were proposed by participants at the workshop).

Step 3 Selection of pilots began with a PGS risk assessment of each proposed pilot to cover both environmental threats and a smallholder group capacity as-

assessment. The key stakeholders (including MAF) participated in the selection process as part of a hands-on training. Once selected the implementation can begin.

Ultimately three pilots were selected. They demonstrate a number of dynamics that include the private versus government driven approach and the transition from a Lao PRD CB certified ICS to a PGS and also a model that supports the export of PGS certified product from Lao PRD to Viet Nam (Hanoi).

Pilot 1: Savannakhet – two vegetable production groups Phak-Kha (6 households) already certified by the LCB and Done-Seng (12 households) not yet certified, both groups have been supported by DAFO as part of the SNRMPEP project. The plots of each group are contiguous and they are small supplying local markets. PGS is viewed as an affordable approach that will help strengthen both technical capacity and marketing options.

Pilot 2 Xieng Khuong - vegetable production is supported by a project managed by the INGO SAEDA. The project covers 5 Villages: Thern, Yuan, Yon, Mon and Lathhuang a total of 75 persons produce organic vegetable 26 have organic certification. Unlike Savannakhet the farmer's plots are scattered and were marketing individually now through the improved collective organization provided by the PGS the marketing is better organized and the products more identifiable in the market. A recent report (March 2017) from DAFO in Seing Khuong states that they have strengthened the groups and are planning expansion.

Pilot 3 Houaphan – sustainable forest management and value chain development for dried (hok) bamboo shoots supported by an EU funded project being implemented by GRET/SNV and the Provincial Authorities of Houaphan with market development support from Bac Tom Viet Nam. The shoots are harvested and dried in July and August each year with harvesting controlled and monitored via strict sustainable management practices. The 'organic focus' is based on the wild harvesting category in the Lao Organic Standards. There are 6 villages each with an established VBC (village bamboo management committee) that is responsible and actively monitoring their bamboo forests based on sustainable management criteria. Bac Tom from Viet Nam (also engaged with PGS and organic products in Viet Nam) has agreed to purchase the dried shoots and also provide ongoing support to the groups to sustain the PGS after project support concludes. PGS is perceived as an affordable marketing tool. (Subsequently Bac Tom replaced ECOMART as the organic product retailer based in Hanoi.)

### **Pilot support**

In Lao PDR 3 pilots were identified and evaluated by the IFOAM - Organics International project team and are now supported by the Department of Agriculture (DoA). The DoA is responsible for providing the framework for managing PGS developments in Lao PDR building PGS into their existing operational framework.

The training to develop the PGS pilots was provided by the IFOAM - Organics International PGS team to help the DoA facilitate the development of the pilots. Several follow-up missions were organized accordingly.



The Xieng Khoung (XK) and Houaphan PGS are being built around an existing project funded by SAEDA (INGO) working with the DAFO, in the Houphan the PGS group has been supported by SNV and GRET (GRET team based in Sam Nuea providing support through to 2020). In contrast the Savannakhet PGS group was established via the SNRMPEP ADB funded project but the group is smaller and does not have an NGO in support. There has been limited technical input from PAFO/DAFO and no strong pull from the market but they have continued to operate and more recently new marketing opportunities have arisen. However, these groups still face the usual problems of matching supply with demand and having the support of a strong and committed market actor.

### **Concluding comment**

Overall the DoA has been consistent with their support to PGS activities. They have set in place the necessary personnel and systems whereby PGS can be promoted and certificates and logo issued but they still face the challenge of having a limited number of PGS opportunities which perhaps reflects their hesitancy to effectively engage with the private sector and NGO's in order to promote PGS and get their involvement as active stakeholders.

## 2.4. Myanmar

### Status of PGS in Myanmar

Activities to launch and develop PGS in Myanmar started only following the Regional and National PGS Workshops in 2014. In May/June 2016 IFOAM - Organics International returned to Myanmar to provide support for the development of PGS pilot groups. Several organizations participated in the workshops and training that was coordinated by MOGPA (Myanmar Organic Growers and Producers Association).



There are now 8 PGS pilots groups all launched at various stages of establishment. Several of them are close to issuing the first PGS certificates.

1. **Sein Lai Oo PGS:** In the Hmawbi District located close to Yangon involves around 7 producers covering a range of different crops and fruit products.
2. **Mushroom PGS:** Involves 7 organic mushroom producers close to Yangon.
3. **Genius Coffee PGS:** Involves around 50 smallholder coffee smallholder producers working with Genius Coffee in Ywar Ngan District, Shan State.
4. **Lovely Organic PGS:** Involves around 20 organic rice producers located close to Mandalay.
5. **IPho PGS:** Involves 7 Vegetable and Fruit producers close to Yangon
6. **The Kaw Gyi PGS:** Is a government initiative involving 12 vegetable producers close to Nay Pyi Daw.
7. **Kan Kone PGS:** Is a government initiative involving 10 vegetable producers close to Nay Pyi Daw.
8. **Moe Gye PGS:** Is a government initiative involving 11 fruit and vegetable producers close to Pyin Oo Lwin.

### Overview of project activities

- October 2014: National Workshop
- March 2016: TOT funded by FAO was attended by 2 representatives form MOGPA
- May 2016: Workshop sessions over 3 days followed by training of trainers (key persons from pilot groups, situation assessment of pilot sites, a review of the assessments and the development of a plan for moving forward.
- November 2017 field visits and follow- up workshops in Yangon and Ny Pi Daw.
- February 2017 field visits and follow- up workshops in Yangon and Ny Pi Daw.

Initially 4 PGS pilots under support of MOGPA were assessed in 2016 and again in 2017. Follow-up work also included meetings with 2 additional PGS in Nay Pi Daw and 1 group in Py Uu Lwin, in the process of development by the Department of Agriculture. Introduction and awareness building has been undertaken but the challenges of fully integrating organic production practices

have not yet been accepted by all the farmers due uncertainty and confidence in organic methods and finding new markets.

## **National Workshop**

In October 2014 IFOAM – Organics International undertook the first mission to Myanmar (Ny Pi Daw) for a National PGS Workshop to introduce the concept of PGS to interested stakeholders and to identify potential PGS pilots. Several organizations were interested in starting PGS pilots groups including MOGPA (Myanmar Organic Growers and Producers Association). Three possible pilots were identified.

## **Pilot selection and assessment**

In December 2014 an analysis of 3 potential pilots was completed following a *PGS Situation Assessment Guideline* provided by the IFOAM - Organics International project team. However, there was limited follow-up (besides ongoing email communication) to this work until 2016 due to delays in ADB's system to approve the reallocation of funds between the project's budget lines.

Fortunately, in early 2016 FAO and IFOAM Organics International collaborated to provide a 10-day TOT for PGS master trainers from Myanmar, Cambodia and Lao PRD. This training helped fill a gap in the training needs of the Myanmar team and also provided the platform for kick starting the follow-up for the project team. At this workshop a training program was developed which the MOGPA team put in place in preparation for the project team mission in May/June 2016.

During the mission in May/June 2016 four groups were proposed as pilots of the TA:

Pilot 1 – Is located in the Hmawbi District located close to Yangon covering a range of different crops and fruit products and involves around 7 producers. The producers have been following the organic standards of MOGPA (based on the ACT Thailand standard). MOGPA issue a certificate after an inspection visit by their team.

Pilot 2 – 7 'organic' mushroom producers close to Yangon (a site assessment was undertaken for 1 of the sites as part of the workshop training program). The assessment indicates that the site, inputs used and management appear compliant with organic standards but MOGPA will need to develop a processor standard and compliance assessment system to cover this production system that is being carried out inside buildings.

Pilot 3 – 50 smallholder coffee smallholder producers working with Genius Coffee in Ywar Ngan District, Shan State. The smallholder coffee plots sustain a wide diversity of tree crops as well as coffee and thus this PGS will support the marketing of both fruit and coffee within Myanmar.

Pilot 4 – 20 'organic' rice producers located close to Mandalay.

## **Pilot support**

March 2016 a training of trainers (TOT) supported by FAO was completed by the IFOAM PGS specialist in Bangkok. This activity was funded by FAO and also supported by ADB. The TOT was attended Dr. Than Than Sien and Dr. U San Thein from Myanmar. Post the TOT workshop they undertook PGS and organic training sessions around Myanmar to help prepare the way for renewed input from IFOAM – Organics International.

Since the TOT a field mission took place in Myanmar from 31 May to 8 June 2016. A full 7-day program covered meetings, workshops, farmers' market and field activities. To support this work MOGPA has established a functional PGS team in Myanmar and with committed members, supporters and farmers eager to build up and promote PGS in their country.

Over the past 6 months MOGPA has continued to support PGS (promotion and training) and IFOAM provided technical support in February 2017.

### **Next steps for Myanmar**

With so many small holders in Myanmar yet to effectively engage in the growing urban markets PGS has the potential to provide an important tool to help secure product quality and safety and provide farmers with the benefits of selling their products into markets that value their products status and qualities.

To enable PGS to fulfill this development role MOGPA and supporting stakeholder groups will need to be strengthened on a number of levels:

- **MOGPA will need to develop their relationship with the government to coordinate PGS developments for Myanmar.**
- **MOGPA needs to evolve into a viable social enterprise with the staff and resources required to provide leadership and operate effectively.**
- **Technical capacities to support production through the selection and use of appropriate inputs and the organic controls of pests and diseases need to be developed.**
- **PGS need to be further developed and the existing PGS groups need to be strengthened to provide models for emerging PGS.**

To support the development of government policy that is sensitive to PGS process IFOAM - Organics International has undertaken a study to provide governments with recommendations for how they can best support organic agriculture and PGS<sup>5</sup>. While there is still no formal policy supporting organic or PGS in place, the government gives positive signs and is indicating a willingness and interest to adopting mechanisms to support the sector.

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<sup>5</sup> IFOAM 'Small-Scale Farmer Inclusion In Organic Agriculture Development through Participatory Guarantee Systems' (TCP/RAS/3510) Assessment of the Legal and Regulatory Review for Organic Agriculture in Cambodia, Lao PDR and Myanmar A report prepared by IFOAM-Organics International March 2016

## 2.5. Cambodia

### Status of PGS in Cambodia

There are many thousands of small-holder farmers in Cambodia struggling to earn an income from farming. Market access and a lack of technical support are huge constraints. Consumers are being challenged by huge food safety issues. A recent study <sup>6</sup> shows that more than 50% of the products being marketed as organic are treated with prohibited chemicals.

With this concern in mind there is strong support from government (supported by the ADB team in Phnom Penh) and the private sector for the PGS concept to be applied to support quality assurance initiatives that will improve farmer's income and provide for food safety.

The challenge - to convert verbal support for PGS as a concept into practical actions requires successful models demonstrating how the system works.

Thus, the need for ensuring the success of the PGS pilot groups that received technical support via the TA.

Over the past 2 years 4 PGS pilot groups have been initiated with support through the TA. They are coordinated by Caritas at Battambang; Natural Agricultural Village (NAV) at Sa Ang; Center for Organic Development (COD) at Bak Kheng Commune near Phnom Penh and by CEDAC in the Relar Saraung District. These organizations are providing the push to establish each PGS group and also facilitate the market linkages but are gaps in this process. In recent months PGS has expanded beyond the initial pilot groups and currently a total of 13 PGS groups involving more than 180 farmers are at various stages of development.



### Overview of project activities

- October 2014: National workshop
- January /February 2016: Training trainers and site situation analysis
- March 2016: 10-day TOT funded by FAO in Bangkok and facilitated by the IFOAM PGS specialist. Workshop prepared the way for the May fieldwork program.
- May 2016: Workshop and field program to advance the development of PGS

<sup>6</sup> Recent study on food safety by Plant Food Research New Zealand

pilots and strengthen the collective capacity of the PGS group to help guide PGS developments in Cambodia.

November 2016 and

February/March 2017: Field assessments (IFOAM pilots and GDA pilots), follow-up with groups, national coordination and strategy meeting with MAFF (Deputy Minister for Agriculture) GDA and PGS stakeholders. Preparation of action plan for PGS – includes actions on PGS policy recommendations to GDA and establishing a national coordination body.

PGS groups supported:

1. Natural Agricultural Village (NAV) PGS (expanded from 9-25 households)
2. CEDAC PGS
3. CARITAS (Batambong) expanded to embrace 2 groups and new groups planned.
4. COD Chambork Meas Organic Vegetable Producer Group PGS (ceased activities).

## **Background for PGS development in Cambodia**

The aim of this project was to build PGS pilots with producers who have experience in organic production, using the PGS to help provide for access to organic markets and quality assurance to consumers. In Cambodia, until recently, organic production has been focused on rice production and it has been hard to find project pilots with organic experience especially for vegetable production.

Recently several NGOs launched projects to develop organic vegetable production and there has also been a much greater level of support from government for organic agriculture. In support of this process IFOAM - Organics International has undertaken a study to provide governments with recommendations for how they can best support organic agriculture and PGS<sup>7</sup>.

Ideally training in organic practice should precede the introduction of PGS. Apart from the CEDAC PGS pilot where organic practice was already in place the other PGS pilots introduced organic and PGS at the same time. This situation is further complicated by the significant gap in the technical knowledge (within the PGS pilots teams and the Ministry of Agriculture) required to support organic vegetable production.

This knowledge gap is not confined to organic it applies to vegetable production in general where the unsafe misuse of chemicals is leading to serious issues around the 'safety' of fresh vegetables in Cambodia. This issue needs to be urgently addressed at all levels.

## **National Workshop**

The National Workshop was held on 7 October 2014

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<sup>7</sup> IFOAM 'Small-Scale Farmer Inclusion In Organic Agriculture Development through Participatory Guarantee Systems' (TCP/RAS/3510) Assessment of the Legal and Regulatory Review for Organic Agriculture in Cambodia, Lao PDR and Myanmar A report prepared by IFOAM - Organics International March 2016

The National workshop identified 4 potential pilots. After the workshop 2 sites were visited by IFOAM - Organics International and Situation Analysis) were completed by IVY (Japanese NGO), CEDAC, CARITAS and COrAA.

### **Pilot selection**

In December 2014 an analysis of 3 pilots was completed. However, due to funding issues a follow-up mission did not take place until January 2016. The stakeholders agreed that the project would focus on 3 PGS opportunities to serve as pilots for IFOAM - Organics International support.

- COD vegetable production group in Bak Kheng<sup>8</sup>, 18 households very experienced in vegetable production and in the early stages of conversion to organic practices supplying daily to a retail outlet in Phnom Phen). This group was later dropped from the program due to their inability to comply with organic standards; and
- Caritas vegetable group (21 households) in Battambang. This group was established by Caritas about 12 months ago and supplies vegetables to the Caritas shop in PP. Subsequently a second group has been started by CARITAS in Batambang.
- In addition the Natural Agricultural Village project Bak Kheng was included as a pilot. This group is supported by Ms Bun Seing who operates a retail outlet and also distributes organic products to supermarkets. The group has proven to be very proactive and PGS paperwork is well organized with production gradually increasing.

In March 2016 representatives from Cambodia, Myanmar and Lao PDR pilot groups attended a TOT in Bangkok that was supported by FAO for PGS trainers in Bangkok. The trainer for the workshop was Mr. Chris May who was also the IFOAM PGS specialist. The workshop had two functions. Firstly, to develop advanced PGS training capacity and secondly to provide the impetus for 5 new PGS initiatives.

This workshop provided an effective bridge between the inputs of IFOAM – Organics International which were to follow in May and November 2016 and strengthened the capacity of PGS operators to implement their PGS pilots.

### **Pilot group support**

In February 2016 IFOAM – Organics International undertook the first mission to provide technical input to the PGS pilots. The process began with a 4-day workshop involving the key stakeholders. Agreement was reached that each PGS pilot would follow the same production standard and as far as possible share their expertise to support the development of their pilots.

It was agreed that the 2 pilots would follow the same implementation process - sharing the vision, developing the PGS components (paperwork and rules), and working with the farmers to understand the organic standard before.

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<sup>8</sup> 18 households with men and women plus other family members actively support garden work. Average income per/hh/month is about \$375. In many households the head male also works in clothing factory \$150/month.

Unlike other situations where the farmers are already 'organic' the farmers in the pilot groups have been using some agri-chemicals and therefore must go through a period of conversion to certified organic. This process involves learning and becoming confident in new production techniques. For the pilots the conversion process was integrated into the PGS implementation which also includes finding markets and strengthening the supply chain. All these steps take time.

A mission in May 2016 aimed to review progress on the implementation of PGS pilots, reflect on lessons learned and support the next steps in the implementation of the PGS pilots supported by CARITAS, COD, GDA, Natural Agricultural Village (NAV) and CEDAC.

Outcomes include:

- 5 new organizations agreed adopt PGS and apply a common organic standard;
- Support each other's PGS implementation activities by sharing templates and supporting their evaluation and peer review activities;
- Agreement to meet regularly to update and share their PGS experiences;
- Provide training support to new PGS initiatives where they can.

A meeting of retailers, input suppliers and PGS pilot representatives was facilitated by ADB project office and the PGS Project consultant for the purpose of introducing to retailers, who are currently selling organic and 'natural' products to the concept of PGS and the importance of providing consumers with transparent labeling.

The meeting included a presentation (by Vitoon representing the FAO PGS and Earth Net Foundation) who provided an overview of the Thai organic sector and possible lessons learned for Cambodia.

Key points highlighted in discussions where the need for retailers to be clear about organic standards and their need to support small-holders in their conversion to organic where they can. This support can include providing markets, technical support services and organic inputs.

The FAO PGS and the IFOAM ADB PGS projects worked collaboratively in order to utilize the limited resources of both projects to the best advantage. The additional momentum provided by the FAO PGS TOT training workshop (March 2016) initiated 3 new PGS groups.

In March 2017 follow-up to support PGS pilots was provided and an assessment of the situation done. The PGS pilot group managed by NAV has expanded from 9 to 25 households. The CARITAS PGS has consolidated and CARITAS are starting a new group as well as supporting the development of a local market in Batambang. CEDAC reports that their groups are functioning well and with support from other agencies they have produced a video promoting PGS. PGS pilots supported by GDA were also visited during the mission. These groups all have potential but need ongoing technical support in order for them to function effectively.



An important aspect of this mission was the development (with the GDA and PGS groups) of a plan for the ongoing development of PGS in Cambodia with agreement on the roles each party would play in this process.

Key activities that were agreed upon:

- GDA agreed that they would adopt and promote the IFOAM PGS Guideline (redrafted as the Cambodia PGS Guideline)
- GDA would promote the Cambodia Organic Agriculture Standard (CAMORG) as the production standard for PGS and allow certified PGS farmers to use the CAMORG logo.
- GDA would prepare the appropriate documents and present these to MAFF in order for PGS to be recognised in national Policy.
- The master trainers (trained Bangkok TOT) will work together to support new PGS initiatives.

The main constraint to the development of commercial organic vegetable production remains the lack of specialist knowledge in pest and disease control and the availability of commercially produced farm inputs.

## 2.6. China (Guangxi Province)

### Status of PGS in China (Guangxi Province)

In April 2015 IFOAM – Organics International undertook the first mission to Yunnan and Guangxi Provinces for a National PGS Workshop to introduce the concept of PGS to interested stakeholders and to identify potential PGS pilots in each of the provinces. Four organizations interested in starting PGS pilot groups were identified and 2 of the pilots were visited for situation analysis. These proved to be unsuitable because they were focused around contract farming rather than promoting smallholder production.<sup>1</sup>

After the mission IFOAM - Organics International became aware of other organizations promoting both CSA's and organic production with smallholders in Guangxi Province. Contact was established with these groups and the second IFOAM – Organics International mission followed in May 2016. The mission was coordinated by the Center for Chinese Agriculture Policy and Chinese Academy of Sciences, Nanning, with support from OxFam (HK).

### Overview of project activities

- April 2015: National' Workshop for Yunnan and Guangxi Provinces
- May/June 2016: Training program in-conjunction with Center for Chinese Agriculture Policy and Chinese Academy of Sciences, Nanning, with support from OxFam (HK).

PGS pilot groups identified:

1. PGS Mashan Ronyan Ecological Management Professional Cooperative
2. PGS Du'an Nonglv Healthy Ecological Planting Professional Cooperative

### Background for PGS development China (Guangxi Province)

The organic market competition is fierce, large contract farms are already supplying supermarkets with certified (third party certified products). Research indicates that these suppliers produce around 80% of China's organic products.

For Guangxi based smallholders to consolidate an organic market niche they must:

- Be innovative and coordinated in their approach.
- Target farmer's markets restaurants and specialist organic stores as the target retail points (competing in supermarkets against large scale production of certified organic product imported into the province for smallholders with low volumes is impossible in the present situation;
- Identify and promote opportunities to add value on farm.
- Certified and carry a local logo that is well promoted;
- Present food hygienically and of good quality both in appearance and shelf life.

## **National Workshop**

The National Workshop was organized by the Working Group on Agriculture (WGA) in conjunction with IFOAM - Organics International, Kunming Hotel Yunnan Province, 14 April 2015.

This workshop was undertaken to launch the project to stakeholders in China (Yunnan and Guangxi Provinces). This 1-day workshop was attended by 48 invited participants representing the WGA, government officials from Yunnan and Guangxi, non-government organizations, farmer groups and business enterprises.

The participants (at all levels) concluded that the PGS approach has considerable potential as an organic certification methodology (smallholder focused and cost effective). They expressed concern that PGS are not yet recognized by the central government (MoA and COFCC) and this recognition will be essential in order for PGS to fit within the national regulations for labeling organic products.

The participants supported the idea of establishing PGS pilots as working models so they can assess the overall merits of the PGS and provide local governments with examples of working models that can be used as a justification for PGS being recognized by regulation.

Several potential pilots were identified and both the governments of Guangxi and Yunnan agreed in principle to provide policy and administrative support to the pilots.

## **Pilot selection and assessment**

In April 2015 IFOAM – Organics International undertook the first mission to Yunnan and Guangxi Provinces for a National PGS. Four organizations interested in starting PGS pilot groups were identified and 2 of the pilots were visited for a situation analysis. These proved to be unsuitable because they were focused around contract farming rather than promoting smallholder production.

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The Centre for Chinese Agricultural Policy (CCAP) and the Chinese Academy of Sciences with funding support from Oxfam are providing technical support for the development of 2 PGS pilot groups in the Mashan and Nong Lyn Districts.

Pilot 1 – Mashan Ronyan Ecological Management Professional Cooperative with 40 households breeding producing corn, vegetables and pigs and participating on a monthly basis in the Nanning farmers Market and sends two consignments a week for packing and distribution to groups of consumers. The village is part of a participatory seed breeding program for some years and is also classed as an ecological village.



Pilot 2 – Du'an Nonglv Healthy Ecological Planting Professional Cooperative with 70 households has been part of a participatory rice seed breeding (traditional varieties) and producing paddy and ducks. Land ownership issues may threaten the area available to the coop members but the full impact is yet to be determined.



### Pilot support

A mission was organized for May 2016. It included various activities including site visits, development of an understanding of the practical aspects of PGS implementation and specific activities required to support the pilot groups. Participants from several organizations including the Ai Nong Hui (a group supporting traditional agriculture) and Nanning Farmers Market provided an overview of recent organic and PGS related developments in Guangxi were supported by presentations from Yifan Jiang (Founder of Shanghai Farmers Market) and IFOAM – Organics International.

Until now the different organizations promoting ecological and organic farming have promoted the approach without a focus on certification. Great emphasis is placed on preserving and promoting traditional farming practices and ensuring fair prices but there is also a realization that consumers expect the product to be certified. PGS identified as the most appropriate approach to certification a draft organic standard was prepared for discussion with the farmers during the field visits.

During both site visits the key components of a draft organic standard were discussed with members the farmers. The farmers expressed a strong commitment to sustainable organic production and believed that their current production practices aligned well with the standard.

In addition, a workshop was organized with retailers, farmers, INGO and Nanning Farmers Market staff. The key question for the participants is how to promote and expand the Nanning farmers market and the availability of organic produce in general. Participants contributed a number of ideas particularly the need for greater collaboration between stakeholders, more variety and range of product, improved quality and product presentation and certification. Building the market into a destination and increasing the frequency of market days so that consumers could start to see the market as a 'one stop shop'.

The Oxfam support for the PGS and market development activities is for 1 year. One full time person has been assigned to facilitating the related project activities.

To ensure the production base can expand and the PGS is relevant the approach taken by the NGO's should be commercially orientated where the goal is to enhance the livelihoods and cash incomes of the smallholder farmers. The benefits of growing organically and gaining PGS certification need to be identified and balanced against the costs of the overall 'opportunity'.

This means that the farmers:

- Are clear of 'what is the benefit' of producing certified PGS crops in terms of potential income and related costs.
- Are fully aware of what is needed to meet the quality requirements and supply needs of the market and the costs of achieving these standards.

Specific activities might include:

- Producing specific crops to order supported by coordinated production planning;
- Clarifying and training farmers to manage this process;
- Setting in place (in the village) a central point for grading and packing, and
- Improving the ways in which the vegetables are packaged and sent to market.

The TA support to help address the challenges is now concluded although there is clearly the need for additional technical support particularly to cover the peer review process and subsequent certification approval process that relates to certification.

### 3. Policy and Regulations

In the context of this TA and the work of IFOAM – Organics International PGS is understood as a tool that is utilized in combination with principles and practices of organic agriculture. Consequently government support and regulation of PGS have to be observed in the bigger framework of organic agriculture development. Policy relevant for PGS includes measures that target PGS specifically (e.g. official recognition of PGS, support to set-up PGS groups, central registration system for PGS groups) as well as measures that relate to organic agriculture in general (e.g. research promotion, input development, consumer awareness campaigns).

A component of this project was to make recommendations on the ways governments can demonstrate their support for PGS via Policy Statements and Regulation. Earlier in the project process it was envisaged that similar recommendations could be made for each of the GMS countries but in-reality the procedures and approach required for each country is different and therefore in addition to the general principles and recommendations, country specific advice are given.

#### 3.1. Why governments should support organic agriculture and PGS

It makes political sense to support organic agriculture, as it contributes in many ways to the welfare of society and to achieving the Sustainable Development Goals. It is also an infant economic sector with strong consumer demand and market potential. Recognizing this, governments in all parts of the world have initiated public policies and programs to support the organic sector. Such political support may be a result of different political strategies and goals, such as tapping into export markets, or addressing the issue of externalities in agriculture.

PGS is tool used in combination with organic agriculture that offers many benefits. Supporting PGS may have a crucial effect in boosting domestic production and consumption of organic production. Benefits of PGS:

- Improved access to organic markets through a guarantee system for small holder producers: in PGS, costs are mostly in the form of voluntary time involvement rather than financial cash expenses. Moreover, bureaucratic process is reduced, making it more accessible to small-holder producers.
- Increased education and awareness among consumers: by involving organic consumers in the review process, PGS help build a base of engaged and knowledgeable consumers who understand the benefits and challenges of organic production.
- Promote short supply chains and local market development: because they are based on direct personal relationships and because they often carry “endogenous development” values, PGS help consumers and producers to establish and favor direct or short-distance market relationships.
- Empowerment: PGS are grassroots, non-profit, bottom-up organizations.
- Empowerment comes from the democratic structures of PGS and the fact that in PGS, the communities (producers and consumers) have the

ownership of the conformity assessment system. It reinforces social capital and builds collective responsibility and capacity.

### 3.2. General recommendations

The two overarching recommendations when it comes to government support to the organic sector are the following<sup>9</sup>:

1) The role of the government in the organic sector should primarily be that of an enabler, and only secondary that of a controller. In other words, setting up a government organic regulation without supporting measures to promote organic development is like putting the cart before the horse. In most GMS countries, organic agriculture is still an emerging sector – especially for the domestic market – and an organic regulation should only be considered if it is in strong demand from the organic sector itself.

2) Policy design and implementation should always be done in a public-private partnership and multi-stakeholder approach. Most of the organic expertise, as well as the motivation and energy to advance the sector, lie with the private sector composed of producers, companies and NGOs working on organic agriculture on a daily basis. A particular challenge for policy-making is that the concept of organic farming does not belong to government to modify and adapt at will. The concept was developed by producers, interested individuals and civil-society organizations in the 20th century and subsequently sustained by consumers through special markets, particularly since the 1970s. Although the concept may now be increasingly controlled by public institutions through regulations, the involvement of stakeholders and their ownership is critical to maintain its integrity and part of good practice in policy development and implementation. Government can also have much more leverage and effectiveness in the implementation of organic support measures if it relies on existing structures and expertise of the private sector.

Different voluntary and regulatory instruments can be used to support the development of appropriate frameworks to develop the organic sector. They range from having a voluntary standard associated with a common organic logo managed by the sector umbrella organizations (e.g. East African Community), to having a regulation compulsory only for export (e.g. India) or having a full compulsory organic regulation (e.g. China). The choice between those different scenarios depends on the context (e.g. economic weight of the country on the international trade scene), and on the level of development of the sector and particularly of the size of the domestic market for organic products.

In order to encourage the adoption of organic practices and expand the organic sector beyond third-party certified organic operators, there is a need to support PGS within national organic policies and regulations. In many countries around the world, governments are inhibiting PGS development by setting up organic regulations that do not take PGS into account. In many cases, government organic regulations restrict the use of the word “organic” or its local equivalents only to organic producers that are certified by an accredited third party certification body (based on ISO Guide 17065). This directly excludes alternative guar-

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<sup>9</sup> IFOAM – Organics International (2017): Guidelines for public support to organic agriculture.

antees, such as PGS. As a result, organic farmers involved in these systems can no longer call themselves or their products “organic”, which is a dramatic obstacle to their livelihood development and to the uptake of organic agriculture locally.

Depending on the stage of development of the organic sector and the regulatory framework in the country, PGS recognition can be accomplished in numerous ways:

1. Promote, rather than regulate, an emerging organic market.
2. Leave compliance with the organic regulation voluntary.
3. Include exemptions in the organic regulation.
4. Adapt group certification, with PGS-compatible requirements.
5. Include PGS as one of the conformity assessment systems permitted under the regulation.

IFOAM – Organics International has various toolkits available that help governments to take decisions about appropriate policies and regulations. All toolkits provided by IFOAM – Organics International take PGS into account and suggest a public framework that enables and supports PGS development. For further information access the toolkits online:

- Toolkit for supporting policies  
<http://www.ifoam.bio/en/global-policy-toolkit-public-support-organic-agriculture>
- Toolkit for organic regulations:  
<http://www.ifoam.bio/en/organic-regulation-toolkit>
- PGS Policy Brief  
[http://www.ifoam.bio/sites/default/files/policybrief\\_how\\_governments\\_can\\_support\\_pgs.pdf](http://www.ifoam.bio/sites/default/files/policybrief_how_governments_can_support_pgs.pdf)

### 3.3. Country specific recommendations

#### **Lao PDR**

Lao PDR requires no new recommendations regarding the recognition of PGS as the DoA has already adopted PGS into the government system within the Ministry of Agriculture’s Department of Certification.

Recommendations relate to the actual implementation of the PGS program and organic agriculture support measures. For the DoA, it is important to make sure to develop and maintain structures that both enable and encourage the participation and involvement of various stakeholders (farmers, businesses, NGOs etc.) in the design and implementation of the PGS.

#### **Cambodia**

GDA and MAFF have agreed to recognize PGS in a policy statement. CAMORG will provide the organic standard and the IFOAM PGS Guidelines will be used to define PGS. At this point in time GDA are working on the required documents for MAFF to process for approval.



We recommend that Cambodia further develops the national organic agriculture framework (national standard, supporting policies), but keeps compliance voluntary at least until the organic sector has further developed. Considering existing challenges with food safety and misleading claims it may be beneficial to establish a national PGS system based on common principles and with one common label and a certain oversight by the government.

### **Viet Nam**

Key stakeholders working with PGS report significant national interest in PGS as a certification tool based on the success of the Hanoi and Hoi An models. Recently discussions began between VOAA and MARD scoping the possibility for the development of regulations covering organic and PGS. In order to ensure that outcome from this process is PGS 'friendly' the next step could be for a working group, made up from government and other key stakeholder groups, be appointed by MARD to develop guidelines for policy statements that are compatible both with Vietnamese law and the interests of the stakeholders.

### **Thailand**

The situation in Thailand is complicated because there are already several PGS groups and organization with contrasting approaches to how PGS certification should be managed and there is no easy solution to harmonizing these systems. Before a national policy (or regulation supporting PGS) can be developed the key stakeholders should find a way to come together and agree on what they would accept as their minimum standard for organic practice (National Standard/ACT/or another) as well a guideline for defining a PGS. For this process to progress one of the stakeholder groups must take the lead and facilitate the discussion with the other stakeholder groups to get agreement on the way forward.

### **Myanmar**

There is both government and private sector support for PGS in Myanmar. Next step is for MOGPA with the Agriculture Department to draft up a policy statement supporting PGS and an organic standard followed by a national workshop for key government stakeholders to discuss and adapt the document to fit with the current legal situation. Once agreement is reached then a procedure set in place that will enable the policy statement to be officially recognized.

### **China**

The situation regarding PGS policy and regulation in China is complex and researching and proposing options is beyond the scope of this project as there already laws in place prescribing standards and certification procedures that all exclude PGS.

## **3.4 Regional collaboration**

Regional collaboration in the GMS and/or ASEAN holds rich potential for PGS not only as an expanded regional market for PGS products, but also for cross-country learning, knowledge and experience sharing.

At this stage it is too early for mutual recognition of PGS in the GMS countries. The first priority is to have a national PGS consolidation and later set up recognition mechanisms if export of PGS products could be envisaged. A regional

network with the Association of Southeast Asian Nations (ASEAN) instead of GMS countries can also be considered as there are more experiences on PGS in other ASEAN countries (e.g. Philippines).

At GMS level, informal collaboration on different issues is possible including:

- a) Technical network for exchanging information and knowledge on organic inputs and pest control
- b) Creation of Facebook group for better communication within the informal network
- c) Regional capacity building, exchange visits and ToTs
- d) Extend invitations to regional exhibitions/fairs when possible.

## 4. Knowledge products and awareness raising materials

According to the TA contract the following outputs have to be developed and submitted as knowledge products and awareness raising materials.

- PGS distance learning package materials including training modules for trainers
- PGS Handbook
- Set of awareness raising material for key stakeholders in Lao PRD, Thailand, Viet Nam, Cambodia, Myanmar and China

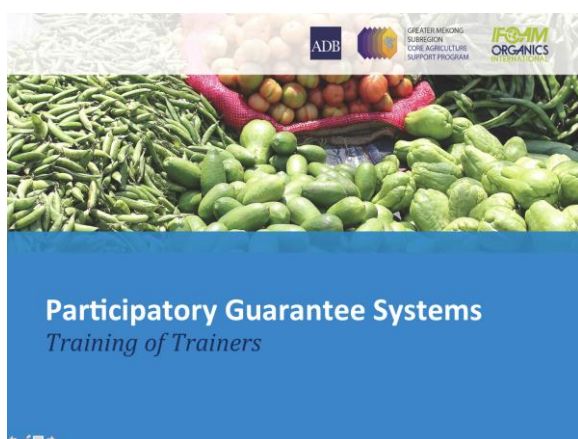
All outputs were finalized by the year 2016 and approved by ADB alongside the Final Report Phase 1 in 2016.

### 4.1. PGS distance learning package materials

The PGS distance learning package materials including training modules for trainers consist of the following elements:

**PowerPoint Presentation to be utilized by trainers divided into the following training modules:**

- Module 1 Introduction
- Module 2 Background
- Module 3 Key Elements and Compliance
- Module 4 Key Features and Implementation
- Module 5 Structure and Organization
- Module 6 Final Remarks and Recommendations



**Guidelines and Documents to be used during PGS trainings:**

- 1. Guidelines for Implementing PGS as a Pro-Poor Development Tool for Smallholder Farmers
- 2. Guidelines for Developing PGS Pilots
- 3. PGS Stakeholder Group: Operating Guidelines
- 4. Farm Visit: Assessment Guidelines
- 5. PGS Workshop: Group Work Guidelines

## PGS Documentation: Templates and Examples

- a) Farmer Details - Template
- b) PGS Database – Template
- c) Summary Standard - Example
- d) Certification Committee Checklist - Template
- e) Internal Monitoring Checklist - Template
- f) Pledge - Example
- g) Records Book for on Farm Processing - Template
- h) Processing Monitoring Checklist for Processing Groups

### 4.2. PGS Handbook

A comprehensive PGS Handbook has been developed and reviewed by IFOAM - Organics International and should be referred to as a technical manual providing potential PGS implementers with detailed descriptions of the PGS elements and implementation processes that come together to provide for a PGS certification.

The Handbook is a synthesis of the form and functions of several established PGS that have been operating for more than 10 years along with examples drawn from more recent PGS developments in Viet Nam and Thailand.

The Handbook introduces PGS as a people focused approach to certification and stresses the importance of engaging stakeholder support for a PGS on as many levels as possible. For implementers of PGS it is important that they see their roles as facilitators of a process and understand that the PGS process aims to build upon the existing integrity of producers, recognizing existing cultural norms in the certification process and inspiring the confidence of consumers.

The various sections in the Handbook describe in detail the basic elements and features of PGS and how PGS operation/function; descriptions of the steps in the implementation process and reflections on lessons learned. The consolidated version is in line with the distance training materials and consists of 6 main chapters that correspond to the 6 training modules.



### 4.3. Set of awareness raising material for key stakeholders

A set of awareness material for key stakeholders in Lao PRD, Thailand, Viet Nam, Cambodia, Myanmar and China was developed. The materials cover a broad target group and provide them with general information about PGS and relevant information specific for their country. The awareness raising materials

- Explain the PGS concept and core features
- Give general information, introduction into PGS
- Can be printed and used for distribution at workshops
- Can be downloaded or sent by e-mail

For each country 2 brochures in local languages were developed

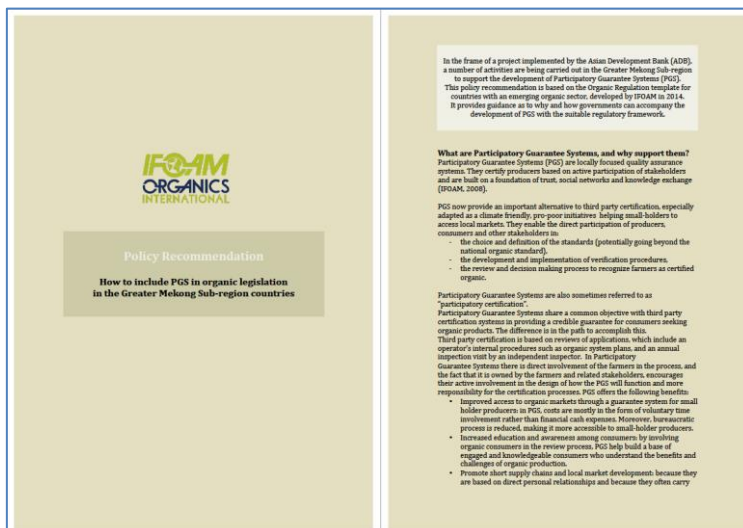
- General PGS brochure (first submission January 2015)
- Simplified PGS for farmers/consumers (second submission June 2016)

A leaflet for governments (only English) was developed including specific policy advice. It includes the following elements:

- Introduction of PGS to governments
- Challenges of current policies for PGS
- Policy recommendations

The general brochures and leaflet for government were submitted to ADB in January 2015. The simplified brochure was developed with feedback from ADB and submitted in June 2016.

#### General PGS brochure (Lao version)



Government leaflet (first 2 pages)

# Simplified brochure (Chinese version)



## 什么是有机产品？

任何按照有机农业的原则和要求所生产的产品（食品、化妆品、纺织品、手工艺品等等）：“有机农业是一种能维护土壤、生态系统和人类健康的生产体系，她遵从当地的生态节律、生物多样性和自然循环，而不依赖会带来不利影响的投入物质。有机农业是传统农业、创新思维和科学技术的结合，她有利于保护我们所共享的生存环境，也有利于促进包括人类在内的自然界的公平与和谐共生。”（IFOAM国际有机联盟）

在实践中，有机农民和有机加工者：

- 不使用对于人类和环境有害的以及损害土壤肥力的化学农药或化肥。
- 采用生态方式保护农作物免于病、虫、草害并培养土壤肥力。
- 不采用转基因生物。
- 保护产品免受任何污染，在加工产品过程中只使用天然的配料。
- 公平对待农场动物，通过自然的方式保证它们的健康，尽可能少使用抗生素和有可能危害消费者健康的物质。

## 核心农业支持计划，第二期与PGS

亚洲开发银行（ADB）通过核心农业支持计划二期，支持大湄公河次流域地区（GMS）的国家生产满足食物安全和质量标准的农业食物产品，并完善这些产品的市场准入。大湄公河次流域国家包括柬埔寨、中国、老挝、缅甸、泰国和越南。亚洲开发银行通过大湄公河次流域地区农业工作组以及IFOAM国际有机联盟的协助，通过能力建设、促进市场链接、信息与技术支持、国际和地区政策倾斜等支持PGS项目活动。

## PGS：一种全球性的可信任的方法

PGS存在于包括美国、法国、印度、巴西、越南、澳大利亚、南非、秘鲁在内的五十多个国家。IFOAM国际有机联盟认为PGS是一种非常适用于本地有机市场发展和本地社区赋权的保障体系，并加以推广。想知道更多吗？IFOAM国际有机联盟在 [www.ifoam.bio/pgs](http://www.ifoam.bio/pgs) 上有相关PGS资源的一整个网页。如果想购买经过PGS保障的产品，参与保障过程，支持某个项目，或者就是想学习更多的内容，以及联系您当地的PGS组织，请访问 [www.ifoam.bio/pgs](http://www.ifoam.bio/pgs)，或者给 [pgs@ifoam.bio](mailto:pgs@ifoam.bio) 发送电子邮件。



有机农业产品  
从农民到消费者  
具有本地化的保障

参与式保障体系（PGS）  
应用于大湄公河次区域的有机产品

为您提供

新鲜、健康、可持续的  
公平、实惠、值得信赖的  
产品！



## 我怎样才能确信某个产品是真正有机的？

所有有机产品都是按照有机标准生产的。这些标准既可以是国际标准，例如IFOAM标准；也可以是区域标准，类似亚洲地区有机标准（AROS）或者某种当地标准。关于某个有机农民是否遵守标准的认证，可以通过独立的认证机构或PGS来进行。



## 什么是参与式保障体系（PGS）？

PGS是一种用于保证有机产品质量的认证体系。该体系基于农民、消费者、农村顾问、当地政府机构等的积极参与：所有各方都会参与制定决策、访问农场、相互支持，以及检查农民是否按照有机标准进行生产。消费者可以更好地了解、估价和需求有机产品。另一方面，农民也可以处于一种更好的地位来满足这种增长的需求。

## PGS的优越性是什么？

PGS是由有机生产者、消费者和其他当地组织或政府机构直接管理和实施的。PGS形成了一种集体责任共担的认识，使得每个人都能在认证过程中发挥积极的作用。PGS促进了生产者之间的知识交流，推动了所有各方对于有机农业认识的提高。直接参与和适应当地特点的文档保存机制降低了认证的成本。这对于支持小农进入有机市场和增加收入很重要，也有助于当地消费者得到更好的途径来获得本地实惠的有机食品。

## PGS在中国如何运作？

每一个PGS都是不同的，因为它是适应当地情况并且依靠当地利益相关者的。但是有一些特性是共同的。

## 广泛的参与流程

1、生产者、消费者和其他利益相关者例如技术专家等都是流程的一部分。都要参与：

- 制定决策
- 批准生产者
- 分享知识

2、每一位生产者都要做出遵守有机标准的承诺，并且同意接受年度农场检查。年度农场检查由其他农民、消费者等组成的检查小组来完成。检查之后要生成一个检查报告，说明该生产者是否遵守了标准。



## 农场检查流程



## 可信赖的标志

成功通过了申请流程和定期农场检查的农民及加工者将会收到一张证书，并且可以在他们的产品上或者市集摊位上使用PGS的标志或标记。在不同的国家或地区，发出证书的机构有所不同，可能是当地NGO，或者农民组织，或者政府部门。

## 5. Outlook and Key Project Issues

### 5.1. Future outlook

PGS has been identified in all the countries targeted by this TA as an important tool for helping smallholders access local markets but also the opportunity for PGS certified products to be sold between countries. This wider view is important in the context of ASEAN and the opportunities for facilitating regional trade.

PGS pilots have been established in each of the countries targeted by the TA and are at various stages of development and expansion. Each GMS country now faces different challenges, priorities and next steps proposed to build existing initiatives, expand to new groups, build a national framework of collaboration and a healthy relationship between various stakeholders including government and private sector.

Most GMS governments (with the exception of China) have shown positive attitudes towards PGS and it is now key to continue a good cooperation and relationship. Governments can be engaged with PGS on many levels but most importantly their role should provide for an enabling environment that allows the private sector and other stakeholders to make PGS an effective marketing tool.

**Next steps and challenges per country** (as discussed by stakeholders in Regional Workshop in Bangkok, April 2017)

#### **Viet Nam**

The systems for supporting PGS are well established in Viet Nam but there remains the need to:

- Continue policy lobbying with the Government (national standards and adoption of PGS guidelines).
- Organize a ToT as further capacity building is needed (not enough trainers and PGS experts to satisfy the demand).  
Scale up PGS and raise awareness by adapting training materials (from IFOAM/FAO/ADB materials), working on consumer education, marketing and improving traceability (by using smartphone application).

#### **Thailand**

The situation in Thailand is complicated by the parallel initiatives of TOAF (largely government orientated) and private sector activities of Lemon Farm that is linked with the Thailand Organic+ PGS coordination organization.

- Consolidate PGS movement in the country.
- Create a platform for exchange and networking “Thai PGS Movement”.
- Consider the creation in the future of Thai PGS Federation/Council.

#### **Lao PRD**

In Lao PRD PGS are controlled by the DoA and this arrangement has both strengths and weaknesses most particularly the approach tends to be disengaged from the private sector operating similarly to the way 3<sup>rd</sup> party certifica-

tions bodies operate. Ideally the DoA will adopt a more inclusive approach to the way PGS functions in Lao PDR but they will require assistance to help embrace this approach.

- Organize a number of workshops in order to further build and improve the system. These workshops should be carried out in bottom-up approach.
- - 1st step: pilot workshops (compile experience and share).
- - 2nd step: Stakeholder workshop (with outside expertise/facilitation) – develop national PGS action plan.
- - 3rd step: National Awareness workshop (address high-ranking level).
- - 4th step: Establish National Platform/Task Force that works on the action plan and on national guidelines and submits them to the government.

### **Myanmar**

MOGPA provides for enthusiastic support and coordination of the different PGS pilot's activities but lacks experience across a number of the technical areas that are essential for ensuring the commercial success of the pilots.

- A total of 8 PGS groups are close to receiving certification, continue this process and provide technical support and work on good collaboration with government.
- Organize Training of Trainers (was planned for April 2017)
- Following the ToT develop a national PGS network.
- Improvement of consumer awareness and awareness raising (link with schools, religious groups, media, consumer groups) and market linkages (including ThaiFex).

### **Cambodia**

Coordinating groups appear have the capacity to facilitate the development of their individual PGS pilot groups but need to build and improve consolidation and collaboration across the groups.

- Work towards the harmonization of PGS.
- Adopt PGS as a certification system for CAMORG (the national organic standard).
- Organize a National PGS launching event.
- Afterwards, agree upon national PGS guidelines.
- Expand the number of PGS groups.
- Organize additional Training of Trainers (ToT) and capacity building for farmers
- National campaigns/mass media/marketing initiative.
- Form a “green show network” for knowledge exchange and marketing.

### **China (Guangxi Province)**

In China PGS is developing not only in Guangxi Province initiatives are developing in various regions.

- In China the recognition of PGS by the government is a priority.



- Compile the experiences of the PGS pilot project in different areas of China.
- Towards the end of 2017 a National PGS workshop is planned. For creation/strengthening of national network (including government representation).
- Scale up PGS by lobbying, raising awareness and strengthening market linkages (market currently a weak point).
- Target by 2020 option PGS recognition at central level.

## 5.2.Synergies with FAO-funded actions in the region

In October 2015 a Letter of Agreement (LOA) was signed between IFOAM - Organics International and FAO aiming for “Small-Scale Farmer Inclusion in Organic Agriculture Development through Participatory Guarantee Systems”.<sup>10</sup>

The agreement focused on three countries: Cambodia, Lao PDR, and Myanmar and was designed to build on the achievement of the TA and to fill gaps.

In particular the LOA includes:

- An assessment of the legal and regulatory environment for organic production in Cambodia, Lao PDR, and Myanmar, with recommendations on how to best accommodate PGS under those frameworks, and possible ameliorations to the organic regulations of those countries
- A PGS Training-of-Trainers (covering the process of formation, training, certification and registration of PGS groups, the members’ rights and responsibilities and the annual process of re-certification) conducted.

Both activities were completed in March 2016.

The TOT was carried out from 2 to 9 March 2016 in Bangkok and included 20 participants:

- Cambodia: 6
- Lao PDR: 5
- Myanmar: 2
- Thailand (Lemon Farm): 2

In April 2017 a Regional PGS Workshop was organized by IFOAM – Organics International and FAO to bring stakeholders of both projects together and maximize synergies between the activities. The objectives of the workshop were (i) to exchange the lessons learnt during the development of the Participatory Guarantee System (PGS) for organic agriculture, (ii) explore and plan further Sub-Regional collaborations and policy advocacy and (iii) agree on the Way Forward on PGS for the Greater Mekong Sub-Region. This workshop was the closing event for both projects. A total of 40 participants attended the workshop from the government sector, NGOs and small medium entrepreneurs (SMEs) who have been actively involved in the establishment and development of PGS in their respective countries.

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## Annex

### Annex 1: Work Plan as per agreement

The Work Plan includes 4 components that cover preparation, introduction and implementation; development and monitoring; policy development and project conclusion.

#### Component 1 Preparation (Background)

Main activities and outputs of this phase are:

1.1 In order to build up some baseline information a desktop study will be undertaken to ascertain the current status of PGS initiatives in the GMS. This baseline information will provide basic data that will be used to help assess the projects impacts.

1.2 Given that the PGS concept is, as yet, not well understood in the GMS the consultant(s) will communicate the project concept and objectives to the key stakeholders including the WGA Secretariat and NSS and key operators known to be active or interested in PGS activities, in order prepare the way for the TA implementation process (via the Regional Workshop March 2014 and via personal meetings as can be arranged).

1.3 Building from the desktop study and stakeholder contacts and networks the TA will identify partner organizations (including relevant government agencies) for the initial exchange of information and to lay the foundation for pre-pilot meetings. To support this exchange the consultant will prepare background information as is appropriate.

#### Component 2 In-country Introduction

Main activities and outputs of this phase are:

2.1 In order to engage the appropriate stakeholders in the TA process National workshops will be held in each country. These workshops will be organized via the WGA coordinators and ADB NCC staff and implemented where possible by both local stakeholder groups and government agencies.

The aim of the National workshop is:

- (vii) To introduce PGS project to the relevant government agencies and other key stakeholders;
- (viii) To provide background and examples of how PGS are being developed and applied in the region and globally to help facilitate pro-poor development;
- (ix) To review the current situation of PGS activities in the country;
- (x) To scope the role of government, NGO's and private sector in the development of PGS and their potential roles and responsibilities for the development of PGS in each of their countries;
- (xi) To select PGS pilots to be implemented under the TA and develop a plan for implementation.

Because of the regulatory situation in China prior to the National workshop it

has been proposed (by participants at the Regional workshop, Hanoi, March 2014) that a meeting with key government stakeholders be held to explain the PGS project in order to establish a mandate for the national workshop. This will require adjustments to the travel budget as it may require a specific trip to China by the consultant for this meeting.

2.2 Once the levels of interest and key stakeholders have been identified a sample of possible PGS pilots (2 per country) will be identified and assessed by the consultants. The aim is to encourage the development of a range of PGS that reflect different situations and can demonstrate how PGS operate in many diverse situations and with varying levels of input from different stakeholders (Government, NGO's, private sector, consumers).

2.3 When the pilots have been agreed upon by the key stakeholders key trainers will be selected from the participating stakeholder groups to participate in the 'training of trainers' (TOT). This training will be primarily hands-on to be undertaken as part of an actual situation and will cover situation analysis, PGS documentation and implementation procedures.

2.4 In-conjunction with 2.2 above the consultants will develop a PGS implementation program for each of the pilot groups in each country. This program will outline the key activities, with a timeline, as well as describe the roles and responsibilities of the stakeholders.

2.5 PGS documentation will be prepared that is appropriate to the pilot groups needs and translated (by the stakeholder) into local languages as required. This documentation will include basic standards and operational guidelines along with templates for recording farm data, internal monitoring and reporting. It is expected that a PGS database will be created and managed for each country by a key stakeholder (could be government if the capacity exists or an independent agency).

2.6 As part of the initial TA activities in Viet Nam and Thailand and the Regional workshop (March 2014) it has become apparent that the TA will be expected to fulfill an additional function not envisaged in the project design stage. It has been shown there is a need to provide technical guidance and perhaps a facilitation role for the establishment and strengthening of national infrastructures that will support PGS development in each country. In China the Organic Farm Development Center (OFDC) but for the other GMS countries the responsible organization likely to assume the national coordinating role will need technical support to develop their organizational arrangements, roles and responsibilities.

2.7 Reporting to ADB as per reporting schedule (see below).

### Component 3 Implementation, Development and Monitoring of the PGS Pilots

Main activities and outputs are:

3.1 Implementation of new pilots - once each pilot progresses to the implementation stage the process will advance according to the individual stakeholder's capacity. It is anticipated that some initiatives may require additional technical input from the consultants. How such additional input is mobilized

will depend on budget capacity.

3.2 As a part of the implementation arrangement the consultants will establish a reporting and monitoring arrangement with each of the PGS initiatives that will provide for regular updates on progress and the opportunity for regular feedback.

3.3 In order to support and provide guidance for the establishment of new PGS initiatives in the GMS the consultants will organize the existing information and provide other PGS information and training materials (with case studies) that can be used (as a distance-learning package).

3.4 The dissemination of PGS information and guidance material is important, thus copies of the relevant PGS information will be disseminated to the key stakeholders once the TA phase has been completed.

3.5 It is anticipated that a 'national body' will be set up or already be in place to coordinate PGS in their country. This body could serve a register of PGS, keep a national database and provide a national PGS logo. The TA will provide support to the development of the national body as is appropriate to the country situation.

#### Component 4 Policy Development and Project Conclusion

Main activities and outputs in this phase:

4.1 Policy and decision makers need to be aware of both the national and regional implications on trade opportunities for organic and PGS certified products when PGS policy is formulated, in order to ensure that, PGS certification can be recognized and certified products can flow between countries. Awareness building for creating a positive policy environment began at the Regional Workshop where it was proposed that one of the GMS countries table a memorandum to ASEAN for the recognition of PGS.

Promoting the need for a supportive policy environment will continue through the national workshops as an ongoing process throughout the project culminating in a regional workshop in 2016.

4.2 During the implementation process the consultants will participate in relevant regional forums (when invited) such as the annual WGA meeting to report and promote of PGS. IFOAM - Organics International will also use these opportunities to promote the PGS concept in the GMS in the context of regional events, as it has been done during the conference "International forum on innovating alternative markets towards food security and food sovereignty - The growing impact of community supported agriculture (CSA) and participatory guarantee systems (PGS) on the emergence of a new economy", which took place in Bangkok (Thailand) May 2013.

4.3 At the conclusion of the project a regional workshop (in collaboration with WGA Secretariat) will be held for policy makers from the six GMS countries to review the development of PGS through 2013-16 and consider regional policy and regulatory framework arrangements appropriate for facilitating PGS in the GMS.

## Annex 2: Detailed Activities to be completed during the TA

As per contract signed the activities under the project include the following:

- (i) Assessment survey on potential PGS pilot groups, selection of pilot groups and collect pre-pilot base-line gender-disaggregated data based on the result-framework of CASP II;
- (ii) Regional Workshop to launch the project and engage stakeholders in first stage of PGS development in their countries and build awareness for the need for PGS enabling government policies at the national and regional levels.
- (ii) National Workshop(s) to build awareness of PGS, promote need for PGS enabling government policies, select pilots and prepare an implementation plan that will also include trainings for stakeholders.
- (iii) Prepare relevant documentation for each pilot as is appropriate to their situation.
- (iv) Circulate a draft GMS PGS (Guidelines) Training Handbook within 12 months after the first 3 countries have established their pilots;
- (v) Assist PGS operators in each country (where needed) to develop and disseminate information/awareness raising materials for the market place explaining the PGS;
- (vi) Assist PGS operators to develop their national PGS network and coordination strategy for PGS.
- (vii) Implement at least 2 PGS Pilots in each of the GMS country;
- (viii) Collect post-pilot gender-disaggregated data for monitoring and impact assessment, based on the result-based framework of CASP II;
- (ix) Prepare PGS distance-learning package materials;
- (x) Prepare final copy for PGS Handbook;
- (xi) Organize regional workshop (in collaboration with WGA Secretariat) for policy makers and other key stakeholders from the six GMS countries to consider regional policy and regulatory framework arrangements for adoption and implementation.