



MANUAL FOR QUALITY ASSURANCE

A Guideline for Internal Control Systems (ICS) in Smallholder Organisations

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A. Introduction to smallholder group certification

1 Introduction

About 80% of the organic producers worldwide are smallholders in low and middle income countries. Their significance in the cultivation of organic products has increased drastically during the last decades. Currently, a major proportion of the organic products imported by the EU are derived from smallholder farmers. This requires farmers to comply with the restrictive EU legislation regarding the import of organic products from third countries.

However, smallholder farmers, often living in remote areas, cannot afford certification costs and manage administrative requirements individually. The association of farmers to a producer group and implementation of a group certification scheme thus offers a practical and cost-effective means to ensure compliance with organic standards.

Such a group certification scheme is based on an Internal Control System (ICS). The ICS ensures quality assurance within the group while the external certification body checks the overall implementation and functioning of the ICS. This inspection scheme significantly reduces certification costs and complexity and enables market access for smallholder farmers. Above that, it also effectively supports quality assurance due to the provision of extension services, exchange between group members, increased product traceability and empowerment of the producer group.

Naturland has a long experience of working with smallholder groups since the year 1989. When the first EU organic regulation EC No 2092/91 was implemented, organic smallholder organisations faced serious difficulties regarding their certification and import of products to the EU. In order to support smallholders to fulfil the requirements for organic production and export to the EU, Naturland published the first edition of the Manual for Quality Assurance in Smallholder Organisations in the year 2000 and a revised 2nd edition in 2002. The Manual was developed in cooperation with IMO Institute for Market Ecology, authored by Mr Franz Augstburger, Ms Ute Eisenloher, Ms Elisabeth Rüegg and Ms Birgit Wilhelm. Similarly, IFOAM published its “Smallholder Group Certification Guidance Manual” in 2004.

In the present 3rd edition, Naturland has completely revised the Manual for Quality Assurance, taking into account new government regulations and international standards. The Manual now includes all provisions of the current EU Eco Regulation EC No 834/2007 and was re-structured and simplified.

This Manual aims to give practical support to smallholder organisations in order to successfully set up an Internal Control System and obtain organic certification according to EU and Naturland Standards. The Manual intends to give smallholder organisations the possibility to take into account their individual conditions and establish their own internal quality assurance system. It thus contributes to the competitive capacity of smallholder organisations and ensures the continuity of their organic certified production.

2 How to read this manual

The Manual is intended for smallholder producer organisations according to organic standards of the EU, covered by Regulation EC No 834/2007¹, and to Naturland Standards².

It is structured in 4 parts. **Part A** gives a general introduction to smallholder group certification and the Internal Control System. **Chapter B** explains in detail the various components of a well-structured ICS, covering the set-up of an internal ICS Manual, internal regulation, staff requirements, trainings, internal inspections, monitoring of the product flow and risk management. **Chapter C** provides information on external inspections. Finally, the **Annex** contains examples of the most important documents for an ICS such as the internal inspection report, approved farmers list or field maps. Further, Annex VIII provides a summary of criteria relevant for group certification, termed “Minimum requirements for an ICS”.

3 What is an Internal Control System?

An Internal Control System (ICS) is defined by IFOAM as a documented quality assurance system that allows an external certification body to delegate the annual inspection of individual group members to an identified body/unit within the certified operator.

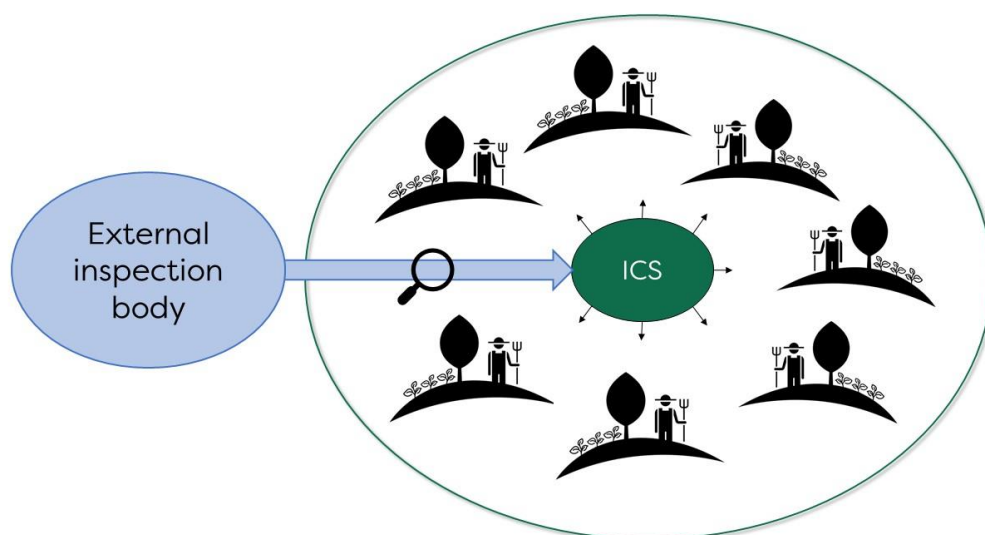


Figure 1: Structure of an Internal Control System (Icons from Noun project, see picture credits in Annex X).

In practice, this means that the smallholder organisation assures the compliance of its members with organic production rules through a system of defined and documented internal procedures, i.e. the ICS. The external inspection body verifies and evaluates the efficiency of the ICS and certifies the group as a whole. This includes checking the ICS documentation system, qualification of staff and conducting re-inspections for some farmers.

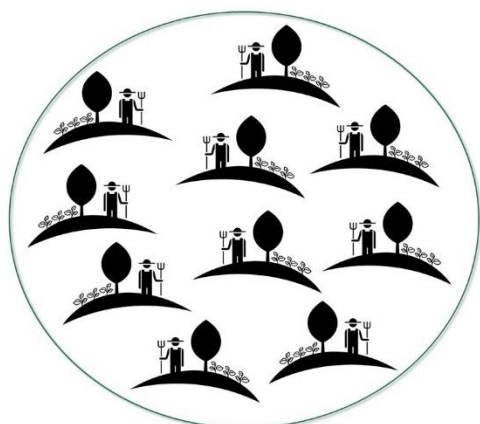
¹ The EU organic regulation EC No 834/2007 can be downloaded from: <https://eur-lex.europa.eu/homepage.html>.

² Naturland Standards can be downloaded from: <https://www.naturland.de/en/naturland/naturland-standards.html>.

4 Conditions for smallholder group certification

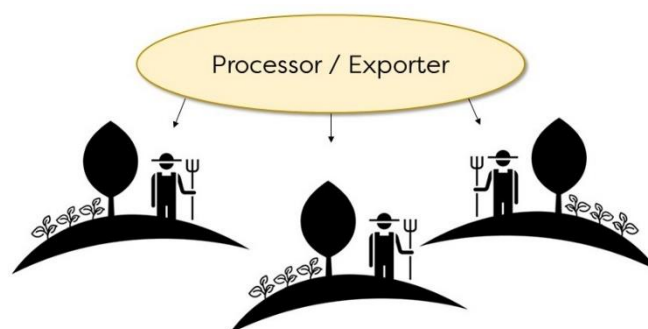
The structure of a smallholder organisation might vary according to the local legislation and the objective of the organisation.

The most common types of smallholder organisations which are eligible for group certification are:



1. Farmers' organisation:

An independent smallholder organisation, e.g. cooperative or farmers' association, operates the ICS and holds the organic certificate.



2. Contract production:

A processor or exporter who is contracting smallholder farmers operates the ICS and holds the organic certificate.

Figure 2: Types of smallholder organisations eligible for group certification (Icons from Noun project, see picture credits in Annex X).

In order to establish an ICS based on EU and Naturland certification, the producer group must fulfil the following criteria:

- Group members have similar production systems.
- Group members are in geographic proximity to each other.
- In principle, only small farmers can be members of the group covered by group certification. Larger farms, which bear an external certification cost lower than 2% of their turnover, or farms with a farm size of more than 25 ha can also belong to the group but have to be inspected by the external inspection body as individual units. These farmers should keep their own farm documentation.
- Processors and exporters can be part of the group but have to be inspected individually by the external inspection body.
- The group must be large enough and have sufficient resources to support a viable ICS that assures the compliance of members.
- The group is established formally, based on written agreements with its members.
- An effective and documented Internal Control System is in place.
- The group must have a common marketing of all farm products. Single farmers are not allowed to market their products individually.

New EU requirements for group certification

In May 2018, the EU parliament adopted a new regulation (EU 2018/848) which will come into force on 1st January 2021. Under the new regulation (Article 36), group certification will be possible for producer groups both within the EU and in third countries. The criteria for group certification under the new EU regulation are under discussion and have not yet been finalized as of the publishing date of this Manual.

5 Contractual relationships

All relationships within the system of organic group certification are based on contractual agreements. These contracts commit all actors to comply with EU and Naturland organic standards. The legal entity and contractual partner is the ICS operator, i.e. the smallholder farmers' organisation or the contracting company (cf. Fig. 2). The ICS operator is usually represented by the ICS coordinator.

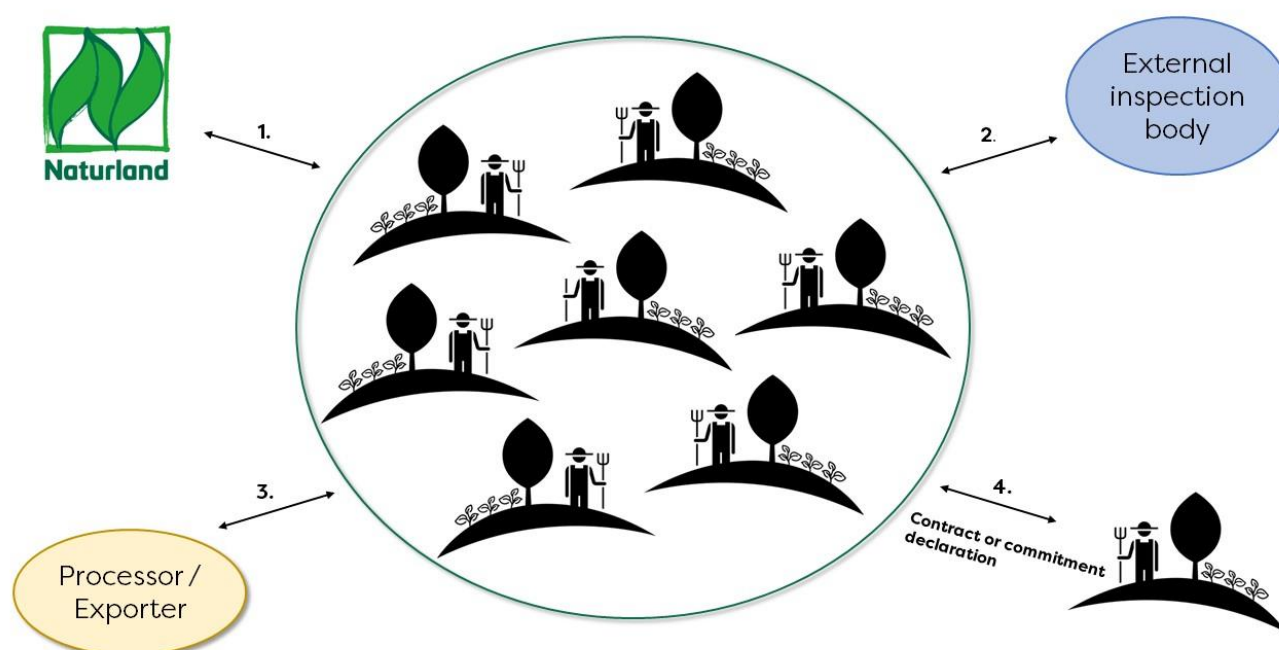


Figure 3: Contractual relationships for group certification (Icons from Noun project, see picture credits in Annex X).

Contract 1: Between the ICS operator and Naturland (Naturland producer contract)

The producer group needs to become a member of Naturland and comply with the Naturland Standards on Production in order to sell products with the Naturland logo. For this, two types of contracts are required: First, a producer contract between Naturland e.V. and the ICS operator (represented by the ICS coordinator), covering certification and inspection standards. Second, a sub-license contract with Naturland Zeichen GmbH covering the use of the Naturland logo and payments of corresponding licenses.

Contract 2: Between the ICS operator and the external inspection body (inspection contract)

The ICS operator (represented by the ICS coordinator) assumes responsibility for the compliance of all its members with the organic production standards of the EU (Regulation EC No 834/2007) and, in case the operator is also associated to Naturland, with Naturland Standards. The contract further grants the inspection body unrestricted access during the external inspection.

Contract 3: Between the ICS operator and processors/exporters

If the ICS operator relies on services of external entities such as processors or exporters, a contract must be signed between the two parties which guarantees a complete flow of information. The ICS operator (represented by the ICS coordinator) carries full responsibility for all activities carried out by the contracted processor/exporter. This includes, for example, to clearly communicate with the contracted party any deviations which were detected during the external inspection and are stated in the certification letter to the ICS operator. In addition, the ICS operator should supervise the fulfilment of any sanctions, respectively. The same applies for other subcontracted service entities such as exporters.

Contract 4: Between the ICS operator and its members

The ICS operator (represented by the ICS coordinator) must have signed agreements with all its members. In these agreements, farmers commit to comply with the internal regulations of the ICS. The contractual relationship between the ICS operator and its members should be adapted to the level of education of the farmers.

B. Set-up of an Internal Control System

This chapter continues with the various characteristics that a well-organised Internal Control System needs to contain. Generally, an ICS is composed of various elements and procedures that might vary according to local conditions and the individual set up of the producer group. In this sense, the following explanations are to be seen as general guidelines which should be adapted to individual circumstances of the producer group.

1 The internal ICS manual

All policies and procedures for internal control measures within the ICS need to be described and documented in an internal ICS manual.

The ICS manual thus covers all relevant rules and procedures, and their documentation including:

- Description of the structure of the producer group (incl. type of ICS operator and description of farming systems)
- Organisational chart and assigned staff
- Definition of the statutes or constitution of the producer group
- Description of the product flow
- Internal organic standard
- Internal social standard
- Farm registration
- Internal inspections
- Sanction and approval policy
- Training procedures
- Risk management

The internal ICS manual should reflect the reality of the group and current requirements of the certification standard.

The ICS operator (represented by the ICS coordinator) must ensure that all involved persons, including farmers, know about the relevant procedures and regulations. All relevant parts of the ICS manual must be made available in appropriate form to the persons responsible for implementing the respective requirements or procedures. Above that, all members of the organic approval committee as well as the internal inspectors must receive the complete ICS manual. Farmers should also have access to the complete manual upon request.

It is important to always keep the manual up to date. Changes may be necessary in case of:

- Change of external certification standard
- Internal management review
- Findings of the organic project personnel or technical support advisors
- Results of the annual report by the organic approval committee
- Findings of the external inspector

After changes have been made, this needs to be communicated to all staff concerned.

How the manual is structured is in the discretion of the smallholder organisation. Irrespective of how the manual is structured, the external certification body will check whether the manual meets all relevant criteria.

2 Internal regulation

At the core of the Internal Control System is the internal regulation which has to be followed by all members, associates or contracted parties. Importantly, all parts of the regulation should be written in simple and practical language in order to be easily understood by all farmers and ICS staff, taking into consideration language as well as reading and writing skills. It must be ensured that all farmers are informed about the internal regulation either in written form or that regular documented meetings are organised to inform farmers about the internal regulations and requirements for certification.

The internal regulation should cover the following aspects:

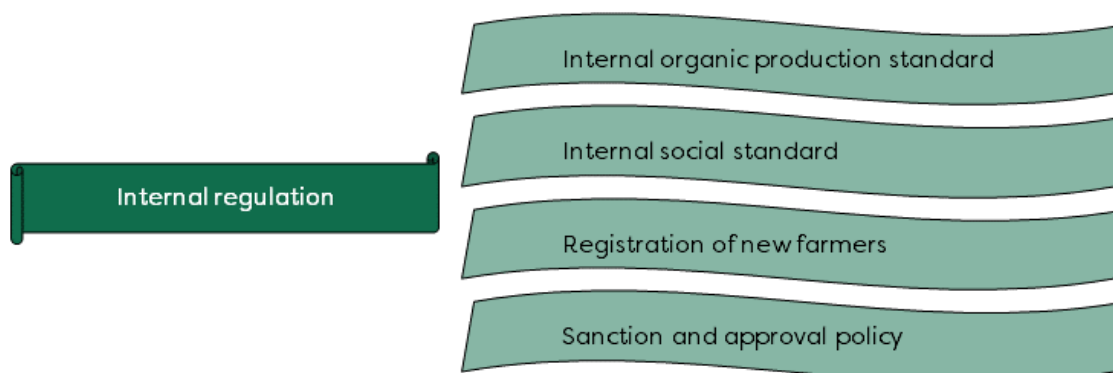


Figure 4: Elements of the internal regulation.

2.1 Internal organic production standard

The internal organic production standard is a local interpretation of the applicable international public or private organic standards and takes into consideration own quality expectations of the smallholder organisation. For example, it can be based on regulation EC No 834/2007 and Naturland Standards.

The following table presents the minimum content for an internal organic production standard which applies EU and Naturland organic regulation. The Naturland Standards on Production and Processing can be downloaded from the Naturland website at www.naturland.de/en/naturland/naturland-standards.

Table 1: Minimum content for an internal organic production standard based on EU and Naturland organic regulation.

Content	Details
Production unit	<ul style="list-style-type: none"> - Define the production unit. This includes the main organic crops, crops for self-consumption and animal husbandry. - The whole farm must be converted to organic, including crops for self-consumption. - It is prohibited to clear forest or other primary ecosystems for access of new production units.
Conversion period	<p>Conversion periods are:</p> <ul style="list-style-type: none"> - For annual crops: 24 months before sowing. - For permanent crops: 36 months before the first harvest
External Inputs	<ul style="list-style-type: none"> - The use of external inputs is restricted as specified in the Naturland Standards on Production. - Seeds and planting stocks must originate from organic production. - Fertilisation with organic fertilisers and compost is allowed; the use of synthetic chemical nitrogen fertilisers is prohibited; permissible fertilisers and soil improvement agents are listed in Appendix 1 of Naturland Standards on Production. - Plant protection products: No chemical or synthetic plant protection products are allowed; especially copper input is restricted to 3 kg/ha per year; permissible plant protection products are listed in Appendix 2 of Naturland Standards on Production. - Weed management: only mechanical and thermal weed control is allowed. - The use of genetically modified organisms (GMO) or GMO derivatives is prohibited.
Sustainable soil management	<ul style="list-style-type: none"> - Measures to prevent soil erosion and surface runoff must be taken. - Implement crop rotation (including legumes). - Shade-tolerant crops such as coffee and cocoa must be grown in agroforestry systems.
Prevention of drift	<ul style="list-style-type: none"> - Contamination from neighbouring conventional farms must be prevented by appropriate buffer zones.
Sustainable use of water resources	<ul style="list-style-type: none"> - Excessive exploitation and exhaustion of water resources is not allowed. - Farms in areas with scarce water resources must draw up a water management plan for irrigation. - The use of non-renewable (fossil) water resources is restricted.
Harvest and post-harvest procedures	<ul style="list-style-type: none"> - Produce must be separated and always identifiable according to quality (organic, in conversion, conventional) during all stages of production, transport, storage - Labelling of products with the organic standards applied (EU, Naturland, etc.). - Documentation of the complete product flows. - Prevention of contamination with conventional products.

	- The use of chemicals for pest control during storage or transport is not allowed; permissible pest control measures are listed in the Naturland Standards on Processing, Appendix 3.
Animal husbandry	Animal husbandry adheres to Naturland Standards including organic fodder and welfare regulations.

2.2 Internal social standard

An important part of the Naturland requirements for organic certification is the implementation of social responsibility. Social standards are an obligatory component of Naturland certification since 2005 but are not required by EU organic regulation. Thus, in case of Naturland certification, rules for social responsibility must also be included in the internal regulation of the ICS and apply to all persons in the production and processing chain.

The Naturland Social Standards can be downloaded from the Naturland website at www.naturland.de/en/naturland/naturland-standards.

The Naturland Social Standards cover the following aspects:

- Human rights
- Freedom to accept or reject employment
- Freedom of association or access to trade unions
- Equal treatment and opportunities
- Children’s rights
- Health and safety
- Employment conditions:
 - Contracts
 - Equal treatment
 - Wages
 - Payment in kind
 - Working hours
 - Grievances
 - Social benefits
 - Further education

The following selected social standard requirements are especially relevant within the ICS because they apply to every farm member as well as seasonal workers or day labourers. They need to be checked during internal inspections every year.

Table 2: Minimum content for an internal social standard if the ICS operator is Naturland certified.

Content	Details
Human rights	<ul style="list-style-type: none"> - The basic human rights of the workers who live and work on the farms are considered. - It has to be approved that neither abusive disciplinary practice nor forced labour takes place. - It is forbidden to retain personal documents or remuneration.
Children’s rights	<p>Children below the age of 15 may help their family or neighbouring farms provided that:</p> <ul style="list-style-type: none"> - The work is not hazardous or dangerous to their health and safety.

	<ul style="list-style-type: none"> - The work does not jeopardize their educational, moral, social and physical development. - There is supervision from an adult. - School attendance is assured.
Health and safety	<ul style="list-style-type: none"> - All workers and their families have access to drinking water, food, decent accommodation and basic medical care. - The operator ensures safety, health and hygiene at the workplace. <p>To this end, the operator</p> <ul style="list-style-type: none"> - Provides trainings on health and safety (especially regarding high risk activities or ergonomic aspects). - Provides First Aid equipment. - Installs warning signs and emergency plans where necessary. - Provides adequate protection (e.g. safety shoes, safety gloves).
Wages	<ul style="list-style-type: none"> - Wages for employees, seasonal work forces, day-labourers and other employees correspond at least to the national legal minimum wages or collective bargaining agreements. - Proof in form of e.g. payslips must be available.

2.3 Registration of new farmers

All farmers that join the ICS and shall be certified need to be formally registered as organic farmer.

A basic data form is developed for each farmer which contains the following obligatory records

- Information about the farmer: Name, address, contact details, farmer's code
- Total farmland area (incl. in conversion areas)
- Organic crops with area (or number of plants/trees in mixed cropping)
- Description of storage, processing or packaging facilities (if relevant)
- Basic farming methods
- Date of last application of prohibited inputs
- A farmer's field map showing the production area of the individual farmer, including relevant information such as farm crops, conventional neighbouring crops, boundaries, buffer zones and access paths. In addition, an overview map must be provided showing where each organic farm of the smallholders' organisation is located (cf. Annex VI).
- information whether the farmers have permanent or seasonal or day labour employed.

These records are updated annually following internal inspections. A sample basic data form is displayed in Annex I.

Farmers must sign a contract or commitment declaration with the ICS operator (represented by the ICS coordinator) in a language understood by the farmer. Such a contract or declaration must contain the following information and minimum requirements for farmers:

- Summary of internal organic standard or reference to internal organic standard (including social standard)
- To comply with the requirements of the internal regulation
- To provide access to the fields, stores and documents
- To accept sanctions in case of deviations

A sample farmer's contract is displayed in Annex II.

2.4 Sanction and approval policy

The ICS operator has defined procedures to approve or sanction farmers.

All internal farm checklists are screened by the internal approval staff (Organic approval manager and/or organic approval committee) with special focus on critical/difficult cases. The assessment of the internal inspector is checked, the (internal) certification status determined and conditions set (if necessary). The summary of the internal control is the approved farmers list (AFL) and list of sanctioned farmers.

In case of non-compliances appropriate corrective or mitigating measures are being taken by the ICS.

- Define what happens in case of non-compliances and how the sanction measures are being implemented.
- Document sanctions (list of sanctioned farmers, documentation of identified non-conformities in files).
- Farmers that have used prohibited inputs in their organic crop must undergo again the full conversion period (if they remain in the organic project). Both, the inspector and the ICS coordinator needs to ensure that no contaminated produce of the sanctioned farmer is mixed with other organic produce. If the sanctioned farmers have already delivered products that have been mixed with other organic products, the external certifier needs to be notified immediately and the mixed product kept separate until further instructions.

3 Personnel

A well-functioning ICS requires qualified personnel in order to guarantee the organic quality of its products. All personnel must be aware of their responsibilities.

3.1 Organisational chart

For each procedure or task of the ICS, one person is responsible. An organisational chart needs to be available which gives an overview of organisational units, hierarchies and the positions of the project staff. The organisational chart must be kept up-to-date in the internal ICS manual.

The following Figure 5 shows key positions of an ICS. These positions, including tasks and requirements for qualification, are described in more detail in the following chapters.

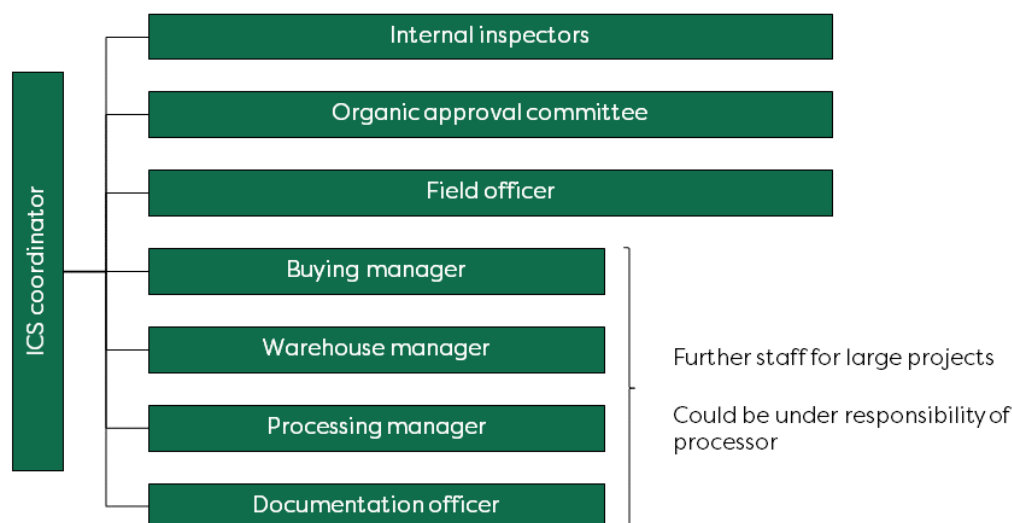


Figure 5: Overview of key positions.

3.2 The ICS Coordinator (quality manager)

The ICS coordinator or quality manager bears the overall responsibility for the performance of the ICS.

His/her main tasks include:

- To coordinate the ICS.
- To organise the internal inspections.
- To coordinate between field staff and approval staff.
- To coordinate the external inspection and to act as the contact person for the inspection body.

Accordingly, the ICS coordinator must be someone who

- Is fluent in the local language.
- Can read and write.
- Has received training in organic agriculture and marketing.
- Is familiar with the agricultural and ecological systems of the area.
- Has sufficient know-how on quality control.
- Must not have conflicts of interest that might affect his/her work.

3.3 The internal inspector

The internal inspector carries out annual internal inspections.

His/her tasks include:

- To physically inspect all farms registered in the ICS according to the inspection schedule and indications of the ICS coordinator.
- To submit inspection reports to the approval committee and the ICS coordinator and to line out any doubt, deviation or any relevant observation to the ICS coordinator or the organic approval committee.

The internal inspector must be someone who

- Is fluent in the local language.
- Can read and write.
- Knows the local conditions well.
- Is familiar with the agricultural and ecological systems of the area.
- Has received training in organic agriculture and internal control procedures.
- Is familiar with the internal regulation.
- Due to a critical conflict of interest, he/she must not inspect his/her own plots or those of direct relatives (e.g. immediate family members) and must not be responsible for the purchase or sale of the products.
- Is well respected among the farmers.
- Co-operates closely with the ICS coordinator.

Depending on the size of the ICS, there must be a sufficient number of internal inspectors to perform the complete inspection of all producers at least once a year. A contract and conflict of interest declaration is obligatory for each inspector.

The ICS operator must document the names and activities of all internal inspectors in a list of internal inspectors. This list also includes information on the number of farmers checked by each inspector. Further, it provides information on each inspector, including trainings he/she has received in organic farming, inspection, and quality control. A sample list of internal inspectors is provided in Annex V.

3.4 The organic approval committee

The organic approval committee takes the decision regarding approval, sanctioning or disapproval of the members of the smallholder organisation. It consists of at least two people who are part of the smallholder organisation. One person is assigned to act as the approval manager to take the internal approval decisions on behalf of the committee.

The tasks of the approval personnel include:

- To revise all internal inspection reports.
- To take all decision regarding the approval/sanctioning/disapproval of the organic farms registered in the organic programme.
- To take all actions regarding sanctioning/disapproval of organic farms.
- To set up an updated approved farmers list (compare chapter 5.2.a) and make sure that the purchasing staff is informed accordingly.
- To document all decisions and to report them to the respective farmers, the directors, the responsible purchase staff as well as to the external inspection body.
- To cooperate closely with the ICS coordinator and the external inspector.

The approval personnel must:

- Be familiar with the principles of organic agriculture.
- Be familiar with the internal regulation.
- Be neutral to take objective approval decisions.
- Not be involved in any marketing activities of the organisation.
- Not be a member of the management or governing board of the organisation.
- Be well respected among the farmers.

A contract and conflict of interest declaration has to be signed by all members of the approval committee.

3.5 Further staff

A large smallholder organisation or one with more than one project site might require further staff including:

Field officer (field advisor/extensionist)

- To register and discharge growers.
- To support growers to comply with the requirements on documentation.
- To inform growers about organic standards and needed improvements in their system.

Buying manager, warehouse manager and/or processing manager:

- To ensure that only organic products are bought, handled and stored (or that the required separation is maintained).
- To manage the facilities to avoid contamination.
- To sign the receipts.

Documentation Officer:

- To manage and compile data generated in the ICS and to report to the project manager

Between all staff members and the ICS Manager a contract describing responsibilities shall be signed.

3.6 Conflicts of interest

The ICS personnel must not have any conflicts of interest that might hinder the work. This ensures that internal inspections and approval decisions are done in a neutral and objective way. All possible conflicts of interest need to be declared in a written statement (conflict of interest declaration). In cases where a conflict of interest would arise, alternative solutions need to be found.

Conflicts of interest arise for example during

- Inspections in the home village: The internal inspector might not be neutral and might not be able to investigate the situation critically and report all problems. The internal inspector is therefore not allowed to inspect his/her own fields or fields of close friends or family members.
- Inspections by young inspectors: In some countries, where respect towards elderly people is highly valued, a young internal inspector might hesitate to question or even criticize an older farmer.
- Involvement in marketing activities: If a person in charge of internal inspections is at the same time responsible for purchasing organic products and is e.g. paid as a percentage of the quantities delivered, he/she might not be interested in seriously checking whether the farmers really comply with the internal regulation.

A conflict of interest declaration must be signed for every key position, e.g.:

- ICS coordinator
- Internal inspectors
- Organic approval staff

4 Training

The main objective of training is to inform and train organic farmers and ICS project staff in all relevant aspects of organic farming and, importantly, to make them aware of the contents and practical implications of the internal regulation.

4.1 Training of farmers

Each farmer needs to receive at least one initial advisory service either by an extension service or by an organised training course. Furthermore, one training course on organic agriculture has to be offered to the farmers at least once a year. The trainings must be well documented. Summaries of training courses and lists of participants with date, names and number of participants shall be made available to the external inspection body.

For those cases involving the conversion from conventional to organic practices, advice in production techniques and certification needs is fundamental. Organic advice needs to include the cash crop as well as all other crops cultivated by the farmers, including crops for local sales or home-consumption. For those cases involving the conversion from traditional (especially indigenous) practices the need for training focuses more on the filing of records and the documentation needed to obtain a certification.

4.2 Training of ICS staff

a. Internal inspectors:

Each Internal inspector needs to receive an initial training course and shall participate in at least one training course a year. This is important in order to guarantee the qualification of internal inspectors. This training can be achieved through in-house courses as well as through participation in seminars and courses organised by other parties. All trainings must be well documented. Summaries of training courses and lists of participants with date, names and number of participants shall be made available to the external inspection body.

b. Other personnel:

All staff must at all times be aware of the organic procedures. The approval staff or purchase staff might need training to ensure they are well aware of all requirements and are able to implement them. All trainings must be well documented and may be requested during the external inspection.

5 Internal inspections

Once a year, each member of the farmers organisation must be inspected by the internal inspector. During this inspection, the internal inspector verifies that the farmers are working according to the internal organic standard and that conditions of last year's inspection have been fulfilled. The results of the internal inspections need to be documented in detail.

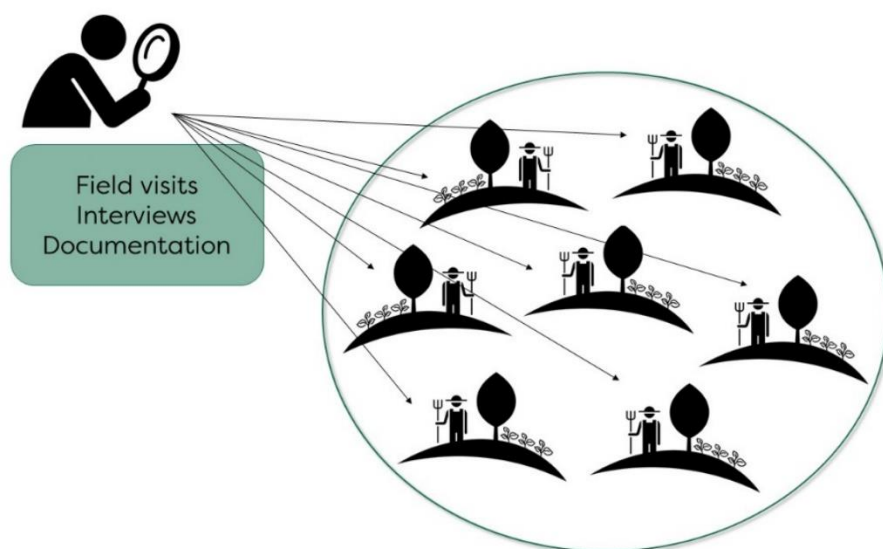


Figure 6: Internal inspections (Icons from Noun project, see picture credits in Annex X).

5.1 Field visits

One initial inspection is carried out for every farmer before registration in the producer group. During this initial inspection, the internal inspector gathers all information needed for registration of new farmers (including description of the farm unit and further facilities, production methods, date of the last application of prohibited inputs, comp. chapter B 2.3).

Once a year, all farms registered in the producer organisation are inspected by the internal inspector. This includes also farmers who did not deliver products in previous years or are currently sanctioned. Farm inspections have to be finalised before the beginning of the harvest. This is necessary in order to guarantee that an up-to-date list of approved farmers is available during the purchase of harvested crops.

During the field visit, the internal inspector must check:

- Total farm area, including organic cash crops and home consumption crops.
- External farm inputs.
- Post-harvest activities and processing areas.
- Storage premises (products, inputs, tools).
- Harvested quantities of last year (check of farm diaries, notes and sales of last year).
- Animal husbandry activities; when animals are used only for traction or self-sufficiency, a simple record is sufficient.
- The use of water resources if farm irrigation is carried out.

- Notifications of last year's inspection in order to verify that they have been fulfilled.
- Conduct cross-checks by asking neighbours and investigating in the village.
- Social requirements: Human rights, wages, child labour, health and safety.

Procedures need to be in place that ensure that farmers who do not comply with the internal organic standard are sanctioned or removed from the program. Products of sanctioned farmers shall immediately be separated from the products of the other organic farms.

5.2 Documentation

The internal farm inspections and their results have to be documented carefully. The following papers are of relevance for this process:

a. Approved farmers list (AFL)

The Approved farmers list (AFL) is the summary of internal inspection results. It contains up-to-date information about all approved farmers of the organic programme.

The AFL contains at least the following information:

- Producer name, code and address.
- Registration date with the ICS.
- Date of last application of prohibited inputs.
- Total farm area.
- Area of home consumption crops or other side crops.
- Area in conversion.
- Crops grown, with estimate of quantity to be harvested.
- Quantities supplied in organic quality last year.
- Harvest estimate this year.
- Name/Code of the internal inspector.
- Date of the last internal inspection.
- Result of the internal inspection (approval).
- Information whether the farmers have permanent, seasonal or day labour employed.
- Other certification (EU/BioSuisse/USDA etc.).

The AFL is updated annually by the organic approval committee after they have taken their decisions on certification based on the internal inspection report.

A sample AFL is presented in Annex III.

b. List of sanctioned farmers

Sanctioned farmers are documented in a separate list. This documentation includes the reasons for sanctioning, duration of sanction and in case farmers leave the group, the reasons for leaving.

The list of sanctioned farmers is updated annually by the organic approval committee after they have taken their decisions about sanctions based on the internal inspection report.

c. Internal inspection report or internal checklist

The internal inspection report or internal checklist documents the results of the annual farm visits and interviews. It includes the following checkpoints:

- General information
- Characteristics of the production unit

- Field history
- Plant protection
- Fertilisation
- Preservation of the soil and ecosystem, diversification
- Origin of seeds and seedlings
- Contamination risks
- Received trainings of the farmer
- Social responsibility
- Recommendation for certification
- Confirmation/signature
- Decision of the internal approval committee

A sample internal checklist is presented in Annex IV.

d. Yield estimation

The internal inspector must verify that the delivered product of each farmer was exclusively produced on the farmer's own farm. Therefore, there has to be a yield estimate for the organic produce of each farmer. The estimates need to be available before harvest (or for a defined harvest period). Yield estimates are documented in the AFL.

e. List of internal inspectors

This list documents the internal inspectors who are responsible for the annual inspections.

The list includes the following information:

- Name, identification code and address of inspectors
- Profession of inspectors
- Years of experience in organic agriculture of the inspectors
- Last time the inspector participated in a training course
- Place of inspection
- Numbers of farmers checked by each inspector

An exemplary list of internal inspectors is presented in Annex V.

f. Overview farm map and farmer's field map

The location of all farming sites that participate in the ICS is presented in a map. Each production unit is marked with the farmers code. In addition, simple maps or sketches show the production area of the individual farmers including relevant information such as farm crops, conventional neighbouring crops, boundaries, buffer zones and access paths. All maps need to be regularly updated.

An exemplary overview farm map and farmer's field map is presented in Annex VI.

6 Monitoring of the product flow

The ICS operator, represented by the ICS coordinator, guarantees the integrity of the certified organic products throughout all steps of the product flow from field to export, covering all steps of purchase, storage, transport and processing.

During all steps of the product flow, the ICS coordinator is responsible for ensuring the identification of bags and separation of produce according to quality, as well as implementing detailed documentation of all activities.

Central Processing Units are always subject to full external inspection by the certification body.

The following rules need to be applied to ensure appropriate monitoring and documentation:

Table 3: Rules for monitoring and documentation of the complete product flow.

Step of the product flow	Monitoring and documentation requirements
Purchasing	<ul style="list-style-type: none"> - Keep an updated AFL at hand during purchase - Clearly identify the crop of each farmer by assigned code numbers - Buy exclusively from farmers listed on the AFL - Compare the supplied amount harvested with the estimated yield. In case of doubt, keep the produce apart until clarification by the ICS coordinator - Keep detailed records on the quantities (and respective qualities) bought from each farmer - Issue a receipt to the farmer about the delivered quantities
Storage and processing	<ul style="list-style-type: none"> - Differentiate products of different quality (organic, in conversion, non-organic). - Clearly label all packages or bags according to quality. - Stock organic products separately and avoid contamination with other qualities. - Keep product entrance and exit receipts from the ware house. - Do not use prohibited methods (fumigation of containers, irradiation/ionization etc.). - Only organic additives and approved non-agricultural additives are allowed for organic products. - Compile reports on processing activities (output ratio).
Marketing and export	<ul style="list-style-type: none"> - Separate products of different quality - Identification of lots - Keep lists of realised sales - Keep invoices

7 Risk management

The risk management system ensures the quality of organic products within the whole product flow. Risk management is implemented by the ICS coordinator and his/her staff. A detailed risk assessment is obligatory before the first external inspection of a newly established ICS. The ICS has to take all measures to minimise the identified relevant risks.

Risks that could affect the quality of the product at different levels include for example:

- Production: e.g. use of non-permitted inputs, contamination from neighbouring fields.
- Internal control: e.g. insufficient financial resources of the ICS, lack of personnel.
- Product flow: e.g. improper coding/separation of bags with different quality, uncleaned or contaminated storage bags.
- Management and marketing: e.g. incomplete records and receipts, mixing of organic and non-organic goods during storage for export.
- Others.

Such risks are expressed in a list of critical control points. An exemplary list of critical control points is presented in Annex VII.

Continuous risk management: Risk analysis should take into account all **potential** risks, even if they occur only rarely or if the ICS coordinator is convinced that appropriate countermeasures have already been taken. These risks need to be regularly updated and assessed, i.e. it should be checked whether

any external or internal factors have changed which would result in new risks to consider in all ICS procedures.

C. External inspection

Naturland itself does not perform any inspections but assigns these to external inspection bodies. This external inspection is realised once a year. It concentrates on the supervision of the ICS, i.e. it mainly evaluates its effectiveness and objectivity.

This includes the following control procedures:

- Inspection of the internal documentation regarding its reliability and completeness.
- Verification of the activities for quality control.
- Inspection of all processing- and export units, as well as purchasing offices. Purchasing offices must be inspected during the harvest period.
- Quality check of internal controls through interviews and randomised inspections of a certain number of producer plots depending on the level of risk.

An ICS with n approved farmers is re-inspected according to the following calculation:

Table 4: Risk-based re-inspection rates of group members

	Normal risk factor 1	Medium risk factor 1.2	High risk factor 1.4
Minimum number of farmers to be re-inspected	10	12	14
Number of farmers to be re-inspected for a producer group with number of members = n	\sqrt{n}	$\sqrt{n} \times 1.2$	$\sqrt{n} \times 1.4$

A good cooperation with the external inspector is essential in order to realise an efficient and fast inspection.

The following steps need to be prepared for an external inspection:

- Define responsibilities for organisation of the inspection and communication with the external inspector.
- Inform all relevant persons of the date of inspection and their responsibilities, including information of farmers.
- Assure organisation of the inspection schedule and transportation.
- Assure that all responsible persons are present during the inspection to accompany the inspector and provide all necessary information.
- Prepare all necessary documents in a way to present them completely and in a good order. Which documents are required is summarised in Annex VIII "Minimum requirements for an ICS/ Documentation requirements".

The results of the inspection and the certification decision will be communicated to the producer group by Naturland in a certification letter.



MANUAL FOR QUALITY ASSURANCE

A Guideline for Internal Control Systems (ICS) in Smallholder Organisations

3rd revised edition by Naturland,
November 2019

Annex

I-X

Annex I: Basic data form (Registration of new farmers)

Basic data form

Farmers' association:	
Farmer's name:	
Community (exact location):	Farmer's code:
Farmer's address & Contact details:	

Characteristics of the production unit

Total land farmed by the farmer (ha):	Total number of plots:
---------------------------------------	------------------------

Please list all plots managed by the farmer, including plots of crops for local sale/home consumption, fallow fields, new plots, etc.

Plot N° According to map	Area ha	Major crop	Side crops	Last application of unallowed in- puts date & product (unallowed fertiliser, pesti- cide, herbicide, treated seeds, etc.)
No. and species of animals: Fodder used: Housing or pasture:				

Description of farming methods

Plot N°	Area ha	Major crop	Farming methods and application devices

Field history (of all new plots)

Plot N°	Crops 2017	Crops 2018	Crops 2020	Last application of unallowed in- puts

Workers on the farm

Number of permanent workers employed	
Number of seasonal workers and/or day-labourers employed	
Minimum wage paid to <u>permanent</u> workers (in USD)	
Minimum wage paid to seasonal workers and/or day-labourers (in USD)	

Description of storage, processing and packaging facilities (if relevant)

Facility	Location	Description of processes and procedures

Farmer's field map and overview map

<p><i>I, the farmer, declare that this information is correct and that I have understood the conditions for organic production. I have also received a copy of the farmer's organic contract.</i></p> <p>.....</p> <p>Place and date</p> <p>.....</p> <p>Signature farmer</p>	<p><i>I, the internal inspector, confirm that the above mentioned information is correct.</i></p> <p>.....</p> <p>Place and date</p> <p>.....</p> <p>Signature Internal inspector</p>
---	---

Annex II: Farmer's contract

CONTRACT
between
<name of farmers association>
and
<farmer's name>, <farmer's code >

The <name of association>

1. Co-ordinates the entire organic project.
2. Provides support services to the farmer with advices for organic farming.
3. Co-ordinates the internal and the external organic inspection.
4. Buys the organic <export crop name> for a sustainable and transparent price including a possible organic premium (depending on market) when the <export crop name> is of suitable quality.

The farmer <farmer's name> declares:

5. I, the undersigned, accept to become/am a member of the <name association> organic project. Certified and controlled by <name certifier>.
6. I promise to follow the organic agricultural principles outlined in the Internal Organic Standard, the Internal Social Standard as well as the Internal Control System (ICS).
7. I will not use pesticides, herbicides or synthetic fertilisers on any crop within my certified organic fields.
8. I shall endeavour to maintain at least the following organic principles:
 - Follow the rules of the Internal organic standard regarding seeds, fertilisation and pest control.
 - Maintain and improve soil fertility by mulching all crop residues (no burning) and application of organic matter, compost, manure, green manure and/or other techniques
 - Prevent soil erosion by keeping the soil covered at all times, constructing contour borders where necessary;
 - Avoid environmental degradation: cutting down trees unnecessarily, burning of crop remains, or any other organic material; dumping of toxic material (batteries) or burning of plastics;
9. I will try to ensure that no contamination of the certified fields or crops can take place, for example by drift from neighbouring fields.
10. I will not grow any conventional <organic export crop name> in order to avoid parallel production.
11. I will follow the rules of organic production also within my fields for self-consumption.
12. I assure that the requirements of the internal social standard will apply to every family member, employee, seasonal worker or day labourer, for example regarding human rights, children's rights, health and safety requirements and wages.
13. I compromise myself to sell only the organic production from my organic fields to <name of association>.
14. I will engage myself to follow the organic management training programme as organised by <name association>;
15. In case I observe any violation of the organic principles, I will report this to the internal Inspector or another responsible person of <name association>.
16. I understand that any violation(s) of the organic principles by even a single grower will lead to the exclusion of this producer or of the entire group. I understand that I will be sanctioned for deviations.
17. I will allow inspections by persons authorised by <name association> and/or <name certifier> and give access to the fields, stores and documents.

.....
 Place and date

Farmer's signature

<association> stamp and signature

Annex III: Approved farmers list (AFL)

Approved farmers list (AFL)

Year: _____

Name of organisation: _____

Farmer's code	Name and surname of the farmer	Location (Address)	Entrance date to the organic programme	Date of last use of unallowed inputs	Total farm area (ha)	Area in conversion (ha)	Area of cash crops (ha)	Area of home consumption crops (ha)	Crop 1: Coffee				Crop 2: Cocoa				Name (Code) of internal inspector	Date of last internal inspection	Result of internal inspection	Result of external inspection (filled in by the inspector)	Permanent workers on farm?	Seasonal and/or day-labourers on the farm?*	Certification (e.g. EU, USDA, BioSuisse, Naturland)
									Area (ha)	Status	Harvested quantity last year (kg)	Harvest estimate this year (kg)	Area (ha)	Status	Harvested quantity last year (kg)	Harvest estimate this year (kg)							
P01	Smith Edi	Village 1	01.01.2017	Oct 2013	5.5	5	0.5	4	org	3,500	3,700	1	org	1,000	1,000	Max Miller	12.10.2019	approved		no	yes	Naturland/Bio-suisse	
PO 2	Mayer David	Village 2	01.01.2017	never	5	5		5	org	3,500	3,700					Max Miller	12.10.2019	approved		no	yes	Naturland/Bio-suisse	
Total					11	10		9		7,000	7,400	1		1,000	1,000								

Annex IV: Internal checklist

Internal checklist

Farmers' association:	
Community (exact location):	Area (ha):
Name of farmer:	Farmer's code:
Internal inspector:	Date of inspection:
Farmer already certified last year <input type="checkbox"/> yes Certification status: <input type="checkbox"/> no (new farmer)	

Characteristics of the production unit

Total land farmed by the farmer (ha):	Total number of plots:
---------------------------------------	------------------------

Please list all plots managed by the farmer, including plots of crops for local sale/home consumption, fallow fields, new plots, etc.

Plot N° According to Map	Area h(a)	Major crop	Side crops	Last application of unallowed inputs date & product (unallowed fer- tiliser, pesticide, herbicide, treated seeds, etc.)
No. and species of animals:				
Fodder used:				
Housing or pasture:				

Field history (of all new plots)

Plot N°	Crops 2017	Crops 2018	Crops 2019	Last application of unallowed inputs

Plant protection:

Product applied	Home- made (yes/ no*)	Amount (kg/ha)	For which crop?	Reason/disease

*For off farm inputs, please give clear specification of the product.

Other activities for plant protection (preventive measures):

.....

Fertilisation:

Product incl. green manure, com- post, etc.	Origin/comments/quantities (if off-farm product)

Preservation of the soil and ecosystem, diversification

Measures adopted in crop cultivation:
Soil erosion problems: <input type="radio"/> yes <input type="radio"/> no
Type of weed control:
Evaluation of preservation: <input type="radio"/> excellent <input type="radio"/> good <input type="radio"/> acceptable <input type="radio"/> not acceptable

Seeds/seedlings:

- own propagation/seeds
- seeds from neighbours (conventional/untreated)
- commercial/conventional (seeds untreated)
- commercial/conventional (seeds treated)

Contamination risks:

Aspect	Answer	Comments
Risk of drift from conventional crops	<input type="radio"/> yes <input type="radio"/> no	
Application devices are only used in organic pro- duction	<input type="radio"/> yes <input type="radio"/> no	
Storage of unallowed inputs on the farm	<input type="radio"/> yes <input type="radio"/> no	Which ones?
Other contamination risks (water, deposited waste, environmental dam- age by processing, etc.)	<input type="radio"/> yes <input type="radio"/> no	
Risk of contamination/mixing during on-farm processing, storage or transport	<input type="radio"/> yes <input type="radio"/> no	
Observation/comments (e.g. counter measures already taken)		
Evaluation of contamination risks: <input type="radio"/> excellent <input type="radio"/> good <input type="radio"/> acceptable <input type="radio"/> not acceptable		

Training of the farmers

No. of visits received:	Date of last visit:
Field officer / Advisor:	Courses/theme
Is the farmer familiar with the internal standards? <input type="radio"/> yes <input type="radio"/> no	
Evaluation of training: <input type="radio"/> excellent <input type="radio"/> good <input type="radio"/> acceptable <input type="radio"/> not acceptable	

Social responsibility

Aspects	Answer	Comments
How many permanent workers do you have employed?		
How many seasonal workers and/or day- labourer have you employed?		

The minimum wage for <u>permanent</u> workers is (indicate amount in USD)		
The minimum wage is paid for <u>permanent employees</u> ?	<input type="radio"/> yes <input type="radio"/> no	
The minimum wage for seasonal workers and/or day-labourers is (indicate amounts in USD)		
The minimum wage is paid for seasonal workers and/or day- labourers?	<input type="radio"/> yes <input type="radio"/> no	
The educational, moral, social and physical development of children is not put at risk, even if the children are assisting on the operation?	<input type="radio"/> yes <input type="radio"/> no	
Security at the workplace is ensured?	<input type="radio"/> yes <input type="radio"/> no	

Recommendation for certification (to be filled in by the inspector)

Crop	ha	Harvest estimation	Organic quality
<input type="radio"/> <i>Approved without conditions</i> <input type="radio"/> <i>Approved with conditions</i> <input type="radio"/> <i>Not approved</i>			
Conditions for current year: (measures to be taken by the farmer) 			
Still not fulfilled conditions of last year: 			

CONFIRMATION: *The undersigned farmer understands and agrees with the contents of this form and declares he/she did not use any product or procedure not described herein.*

.....
Place and date

.....
Farmer

.....
Internal inspector

Decision of the organic approval committee

<input type="radio"/> <i>Approved without conditions</i> <input type="radio"/> <i>Approved with conditions</i> <input type="radio"/> <i>Sanctioned</i> <input type="radio"/> <i>Rejected</i>
Reason for the sanction and definition of the sanction:
Beginning and duration of sanction:
Stamp /Signature/Date

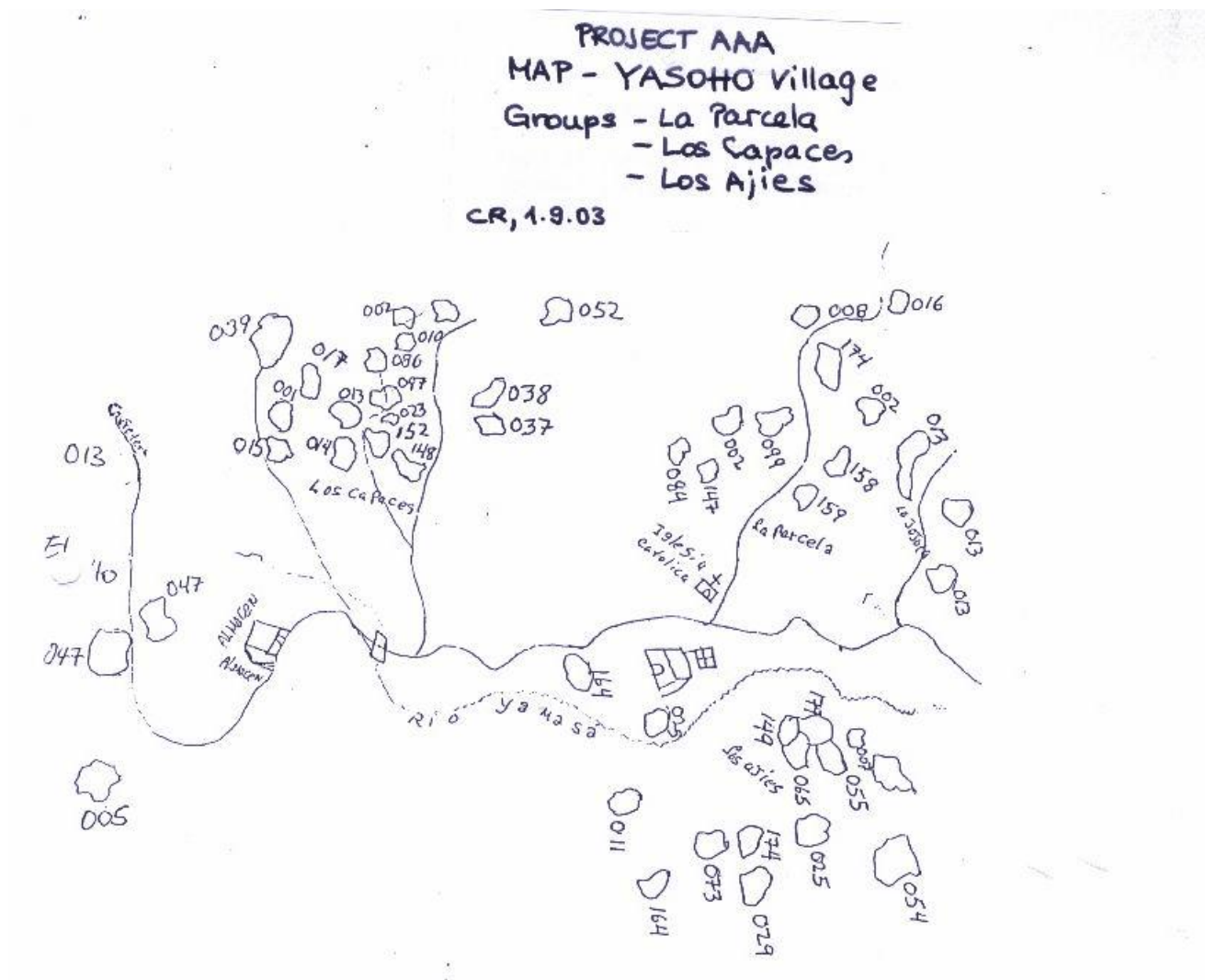
Annex V: List of internal inspectors

List of internal inspectors

Full name of the inspector	Identification	Address	Profession	Years of experience in organic agriculture	Last time the inspector participated a training course	Place of inspection	Number of farmers inspected

Annex VI: Overview map / farmer's field map

Overview map



Farmer's field map

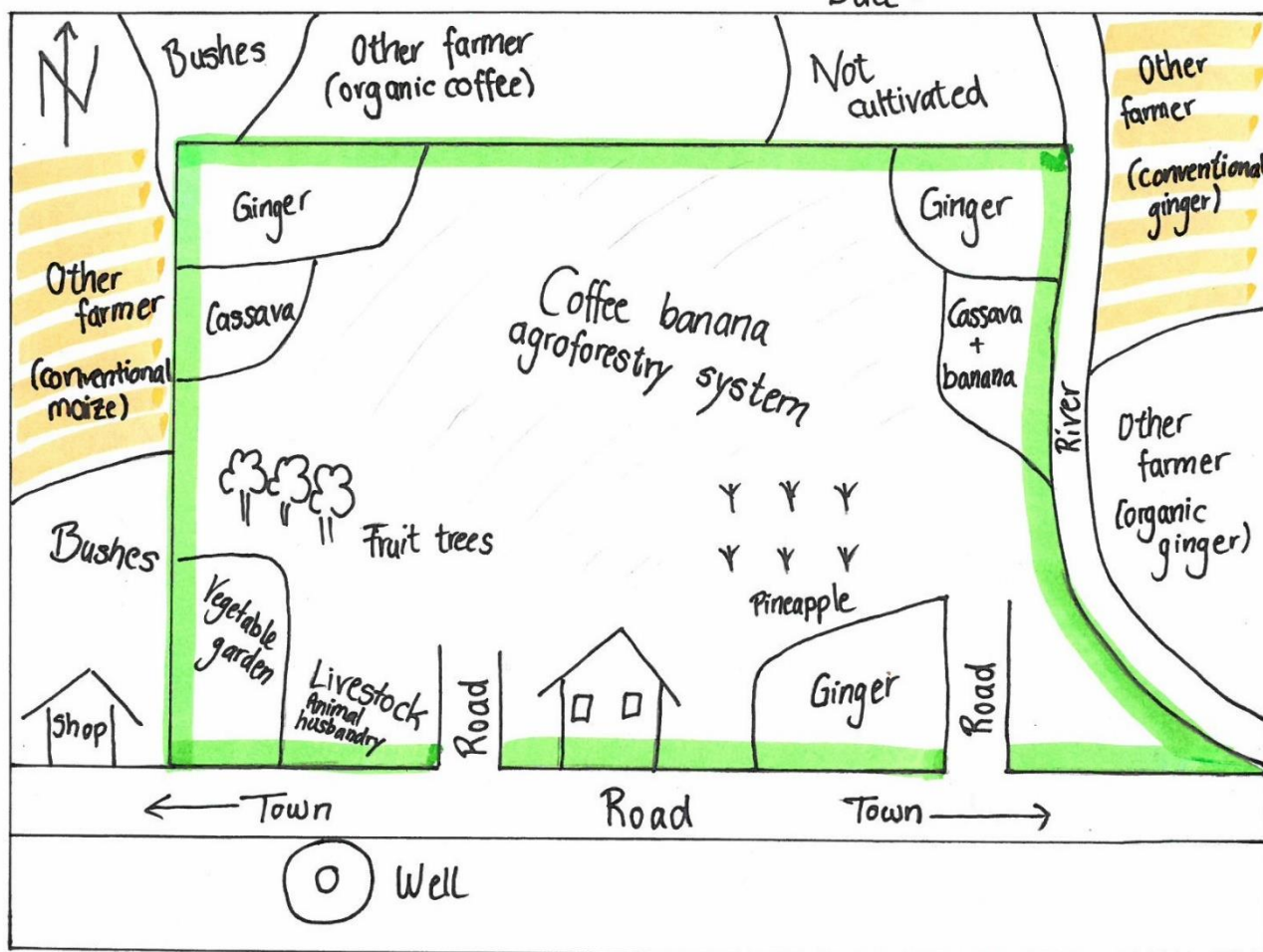
Farmer's field map

GPS:


Name:

Code:

Date:



Legend:

 Contamination risks (e.g. conventional farming)

 Farmer's cultivation area 2,5ha

Annex VII: Risk assessment

Risk assessment: List of critical control points

Name of organisation: _____

Date: _____

Critical control points	Yes	No	Problems/measures
At the production level			
Are non-permitted products (pesticides, herbicides, fertilizers) used on the farm or on neighboring farms?			
Are there crops with high risk to attract diseases, which are not easy to treat with biological measures?			
Are there any programs that subsidize or freely distribute pesticides or fertilizers?			
Is the use of non-permitted products (pesticides, herbicides, fertilizers) common in the region?			
Is there sufficient knowledge available to convert from conventional to organic agriculture?			
At the level of internal control and advice			
Are there sufficient financial funds allocated for maintaining the ICS effectively and to provide necessary training for the farmers?			
Are responsibilities defined in a way to avoid conflict of interest?			
Are 100% of the farmers inspected internally each year and how is that assured?			
Are there sufficient internal inspectors deployed to perform the inspection work load?			
Are regular trainings offered to farmers and staff?			
At the stocking, transport, processing and warehouse level			
Are the bags in which products are stored codified with the producer number?			
Is there clear evidence that the farmers' organization storehouse only buys certified products from the farmers?			

Are the bags in which products are stored clean and free of residues of non-permitted products?			
At the management and marketing level			
Are all records for quality control kept complete and updated?			
Are transaction certificates requested on time?			
Are all sales documented (both local and exports)?			
Is there clear evidence that the possibility of mixing of non-certified and certified goods during storage, transport or export?			

Annex VIII: Minimum requirements for an ICS

Minimum requirements for an ICS

This document is part of the Naturland producer contract for smallholder groups.

It describes all minimum requirements of an Internal Control System (ICS).

These minimum requirements are obligatory for certification according to Naturland organic standards and must be implemented analogously for other types of Naturland certification (e.g. capture fishery) based on Internal Control Systems.

Further details about the implementation and improvement of the ICS can be found in the 'Manual for Quality Assurance – A Guideline for Internal Control Systems (ICS) in Smallholder Organisations (3rd revised edition, December 2019)' published by Naturland.

I. General conditions for group certification

- Group members have similar production systems.
- Group members live in geographic proximity to each other.
- Large farming units, processing units and exporters need to be inspected as individual units
- The group must be large enough and have sufficient resources to support a viable ICS that assures the compliance of members.
- The group has a common marketing of all farm products.
- The group is established formally, based on written agreements with its members.
- An effective and documented Internal Control System is in place.

II. Contractual relationships

Formal contracts between all cooperating parties are necessary to ensure 100% transparency. The following contracts are obligatory between:

1. The ICS operator (represented by the ICS Coordinator) and Naturland (Naturland producer contract).
2. The ICS operator (represented by the ICS coordinator) and the external inspection body (inspection contract).
3. The ICS operator (represented by the ICS coordinator) and service entities (external processors and/or exporters).
4. The ICS operator (represented by the ICS coordinator) and all its members (contract or commitment declaration).
5. Naturland and the external inspection body.

III. Internal ICS manual

All policies and procedures for internal control measures need to be described and documented in an internal ICS manual. All relevant parts of the internal ICS manual must be made available in adequate form to the persons responsible for and implementing the respective requirements or procedures. Farmers can also have access to the manual. The manual is always kept up-to-date and changes are communicated to all staff concerned. During external inspections, the manual is checked for completeness and effectiveness of policies and procedures.

IV. Internal regulation

An internal regulation shall be defined including:

1. Internal organic production standard:
The internal organic production standard is a local interpretation of international public or private organic production standards, e.g. Regulation EC No 834/2007 and Naturland production standards.

2. Internal social standards:
Naturland certification includes compliance with Naturland social standards, particularly basic human rights for workers, minimum wages at least for employees, no child work on farms, safety and health at the working place.
- ⇒ All farmers need to be informed about the internal organic/social standards in written form or regular documented meetings have to be organised to inform the farmer about the internal organic/social standards and requirements for certification.
3. Registration of new farmers:
 - a. Obligatory records for every new farmer (basic data form):
 - Total farmland area (incl. in conversion fields)
 - Organic crops with area (or number of plants/trees in mixed cropping)
 - Description of storage, processing or packaging facilities (if relevant)
 - Basic farming methods
 - Date of last application of prohibited inputs
 - Farmer's field map (displaying the individual farming unit and crops) and overview map (displaying the location of the farming unit in the project area)
 - b. New farmers must sign a contract or commitment declaration:
 - The language of the contract must be understood by the farmer.
 - It shall contain a summary of the internal organic/social standard or a reference to the internal organic/social standard.
 - The farmer commits to comply with the requirements of the internal regulation.
 - The farmer provides access to the fields, stores and documents.
 - The farmer assures to accept sanctions in case of deviations.
4. Sanction and approval policy:
There must be defined procedures to approve or sanction farmers in place. In case of non-compliances appropriate corrective or mitigating measures need to be implemented and documented.

V. Staff requirements for the ICS

Qualified personnel are needed to implement a well-functioning ICS. All staff members must be aware of their tasks and responsibilities. Between staff members and the ICS coordinator, a contract describing responsibilities and a conflict of interest declaration shall be signed.

The following key positions have to be appointed:

1. ICS coordinator/quality manager:
A person with experience in organic agriculture and marketing. He/she is responsible for the continuous operation and the quality of the ICS. He coordinates the field staff, approval staff, the external inspection and acts as the contact person for the external control agency. A conflict of interest declaration is required.
2. Internal inspector:
A person with experience in organic agriculture. He/she carries out the annual internal inspections.
New Naturland definition of conflict of interest for internal inspectors: The internal inspector must not inspect his/her own plots or those of direct relatives (e.g. immediate family members) and must not be responsible for the purchase or sale of the products.
3. Organic approval committee (at least two people):
Personnel with experience in organic agriculture. One person is assigned to act as the approval manager to take the internal approval decisions on behalf of the committee. The committee takes

all decisions regarding the approval/sanctioning/disapproval of group members and documents all its decisions and actions. It cooperates closely with the quality manager and the external inspector.

It can be necessary to have further staff (e.g. for a large group or one with more than one project sites):

1. Field officer (field advisor/extensionist):
 - to register and discharge growers
 - to support growers to comply with the requirements on documentation
 - to inform growers about organic standards and needed improvements in their system
2. Buying manager, warehouse manager and/or processing manager:
 - to ensure that only organic products are bought, handled and stored (or that the required separation is maintained)
 - to manage the facilities to avoid contamination
 - to sign the receipts
3. Documentation Officer:
 - to manage and compile data generated in the ICS and to report to the project manager

VI. Training requirements

Regular trainings ensure the qualification of farmers and ICS staff. The following training requirements shall be met:

- Farmers receive one initial advisory service and are offered one training course on organic agriculture at least once a year.
- Internal inspectors receive one initial training course and shall participate in at least one training course a year.
- Other staff members receive trainings if necessary
- All training courses are well documented and a summary of the training courses and lists of participants are made available to the external inspection body.

VII. Internal inspections

The on-site farm inspections are necessary to assure that all farmers are registered and are working according to the internal organic standards. The following actions are obligatory:

- All registered farmers have to be inspected at least once a year with the farmer's presence.
 - Farm inspections have to be finalised before the beginning of the harvest.
 - Farm inspections cover:
 - Total farm area including home consumption crops
 - External farm inputs
 - Post-harvest handlings
 - Storage premises
 - Harvested quantities of last year
 - Animal husbandry
 - Use of water resources if irrigation is carried out
 - Social requirements, especially in case of permanent or seasonal labor (human rights, wages, health and safety, children's rights)
 - Notifications of last year's inspections in order to verify that they have been fulfilled.
 - The internal inspections and their results have to be well documented with an internal inspection report, approved farmer list, list of sanctioned farmers, list of internal inspectors and updated farm maps (see "Documentation requirements").
- ⇒ In case of serious non-conformities, the farmers shall be sanctioned, and his/her products shall immediately be separated from the products of the other organic farms. The Approval Committee have to decide on the level of the sanction.

VIII. Monitoring of the product flow

The ICS operator, represented by quality manager, guarantees the integrity of the certified organic products throughout all steps of the product flow from field to export, covering all steps of purchase, storage, transport and processing. Careful documentation of all procedures and activities is of utmost importance to ensure the traceability of goods. Monitoring and documentation requirements for the product flow are described below under “Documentation requirements”

IX. Risk Management

The risk management system ensures the quality of organic products within the whole product flow, including farm production, transport, storing, processing and export. Risk management is implemented by the quality manager and his/her staff. The following actions must be taken:

1. One detailed initial risk assessment is obligatory before the first external inspection.
2. The ICS has to take all measures to minimise the identified relevant risks.

X. Documentation requirements

The documentation ensures transparency for all parties involved and gives the chance to detect possible risks and nonconformities of the Internal Regulations and the Naturland Standards.

1. Internal regulation:
The internal regulation shall be defined as described above, including:
 - Internal organic production standard
 - Internal social standard
 - Registration of new farmers
 - Sanction and approval policy
2. Structure of the smallholder group:
 - An organisational chart is obligatory
 - The statutes or constitution of the organisation shall be defined.
 - Other activities of the organisation shall be characterised.
3. Training courses:
A summary including the names of participants, content and date of the training courses shall be available in written form.
4. Staff members:
The requirements mentioned above under “Staff requirements for the ICS” shall be fulfilled and well documented. Furthermore, the following data are required:
 - Current dated list and responsibilities of the internal inspectors and members of the approval committee
5. Internal farm inspections
Documentation of internal farm inspections requires the following documents:
 - a. Approved farmers list (AFL) including the following information:
 - Total farm area
 - Area of home consumption crops
 - Area in conversion
 - Registration date with the ICS
 - Crops grown, with estimate of quantity to be harvested
 - Quantities supplied in organic quality of last year
 - Harvest estimate of the current year
 - Producer name, code and address
 - Date of last application of prohibited inputs
 - Result of internal inspection (approval)

- Information whether the farmers have permanent, seasonal or day labour employed
 - Other certification (EU/BioSuisse/USDA etc.)
 - Date of internal inspection
- ⇒ The farmers list shall be annually updated!
- b. List of sanctioned farmers:
Sanctioned farmers are documented in a separate list. The list includes the reasons for sanctioning, duration of sanction and in case farmers leave the group, the reasons for leaving.
- ⇒ The list of sanctioned farmers shall be annually updated!
- c. Internal inspection report including the following checkpoints:
- General information
 - Characteristics of the production unit
 - Field history
 - Plant protection
 - Fertilisation
 - Preservation of the soil and ecosystem, diversification
 - Origin of seeds and seedlings
 - Contamination risks
 - Received trainings of the farmer
 - Social responsibility
 - Recommendation for certification
 - Confirmation/signage
 - Decision of the internal approval committee
- d. Yield estimate
The internal inspector conducts yield estimates for the organic produce of each farmer during the annual internal inspections. This ensures that farmers deliver only crops produced on their own farm. The estimates are documented in the AFL. Yield estimates need to be available before harvest.
- e. List of internal inspectors
The list documents which internal inspectors have implemented internal inspections. The list includes the following information:
- Name, identification code and address of inspectors
 - Profession of inspectors
 - Years of experience in organic agriculture of the inspectors
 - Last time the inspector participated in a training course
 - Place of inspection
 - Numbers of farmers checked by each inspector
6. Product flow: buying, handling, processing, local market and export sales
The documentation of all steps within the product flow is essential for the transparency and it guarantees that all products are purely organic. The following requirements shall be fulfilled:
- All steps of the product flow shall be very precisely documented.
 - Delivered product quantities are compared with yield estimates. In case of any deviations, the products shall be kept separately, and the quality manager shall be immediately informed and decide on the consequences.
 - Farmers receive a receipt of the delivered goods.
 - Strictly separate products during storage according to quality (organic, non-organic products, in conversion)

- Keep product entrance and exit receipts from the warehouses
- All documents should clearly indicate whether it is an "organic" or "in conversion" product.
- All packages like bags shall be clearly labelled as "organic" or "in conversion".
- During processing only organic additives and approved non-agricultural additives are allowed. Strict separation of the different qualities is obligatory.
- Reports on processing activities (output ratio)
- List of realised sales

XI. External Inspection

Naturland itself does not perform any inspections but assigns these to external inspection bodies. This external inspection is realised once a year. It concentrates on the supervision of the ICS, i.e. it mainly evaluates its effectiveness and objectivity.

This includes the following control procedures:

- Inspection of the internal documentation regarding its reliability and completeness
- Verification of the activities for quality control
- Inspection of all processing- and export units, as well as purchasing offices. Purchasing offices must be inspected during the harvest period.
- Quality check of internal controls through interviews and randomised inspections of a certain number of producer plots depending on the level of risk.

An ICS with n approved farmers is re-inspected according to the following calculation:

	Normal risk factor 1	Medium risk factor 1.2	High risk factor 1.4
Minimum number of farmers to be re-inspected	10	12	14
Minimum number of farmers to be re-inspected for a producer group with number of members = n	\sqrt{n}	$\sqrt{n} \times 1.2$	$\sqrt{n} \times 1.4$

- ⇒ A good cooperation with the external inspector is essential to realise an efficient and fast inspection.
- ⇒ The necessary documents need to be prepared and completely presented in a good order.
- ⇒ All responsible persons need to be present to accompany the inspector providing all necessary information.
- ⇒ The results of the inspection / certification decision will be communicated to the group by Naturland.

Annex IX: Naturland contacts

Naturland contacts

For any questions do not hesitate to get in touch with your Naturland contact person.

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Annex X: Picture credits

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