

# FiBL



## Training Handbook: The New EU Organic Regulation (2018/848) for Producer Groups Part 3: The Internal Control System (ICS)

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# Content training handbook – part III

## 3.1 Overview ICS Requirements in new EU Regulation

## 3.2 ICS Management & Staff

## 3.3 Core ICS Procedures

## 3.4 ICS Data and Records

*The handbook was developed for within a project to train and support the Sidama Coffee Farmers Cooperative Union, Ethiopia in understanding and applying the requirements of the new EU Organic Regulation. It is written as a generic handbook for organic producer groups worldwide, with a focus on perennial crops like coffee in Africa.*

## 3.1 Overview ICS Requirements in new EU Regulation

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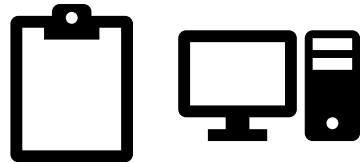


# Overview ICS Requirements in the new EU Regulation

The new EU regulatory requirements for a **System of Internal Control (ICS)** are not fundamentally different from the key procedures and requirements for Internal Control Systems as defined by IFOAM in 2003/2004, and many other schemes.



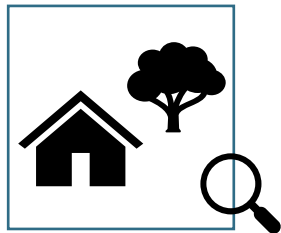
**Documented ICS  
Procedures & Rules**



**ICS Documents & Records**



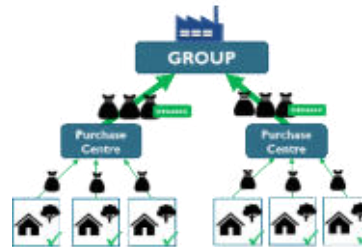
**ICS Staff:**  
ICS Manager & ICS inspectors



**100% Annual  
Internal inspection**



**Managing Non-  
Compliances**



**Traceability & Product  
flow control & records**



**Training of Farmers and Staff**

But many ICS requirements are defined in more detail or very specifically. Also, the rules are now directly applicable legal requirements, which need to be verified more consistently by CBs.

# Overview ICS Requirements in the new EU Regulation



In the regulatory texts, the applicable new requirements and rules for the Internal Control System are defined in the following structure & regulatory acts:

**Reg. 2018/848, Art 36.**  
(Consolidated Version) \*

**Reg. 2021/279**

**Reg. 2021/771**  
(external control)

**36.1.(g)**  
Documented  
Procedures  
of the ICS

**36.1.(h)** Role  
of the ICS  
Manager &  
ICS Inspectors

**Art 36.2**  
Deficiencies  
of the ICS

**Art 5.**  
Documents  
and records  
of a GoO

**Art 6**  
Notifications  
from the  
ICS Manager

**Art. 2**  
Evaluation  
of the ICS

\*including amendmends by Reg. 2021/715

# Overview ICS procedures in the new EU Regulation



**Art 36.1. (g)** Each group of operators shall establish a **system for internal controls** comprising a **documented set of control activities and procedures** in accordance with which an identified person or body is responsible for verifying members' compliance with this Regulation.

## The ICS shall have documented procedures on:

**(i) Registration of GoO members**

**(ii) Internal inspection**  
of all group members

**(iii) Approval of new members**  
or new units/activities

**(iv) Training of ICS Inspectors**

**(v) Training of GoO members**

**(vi) The control of documents & records**

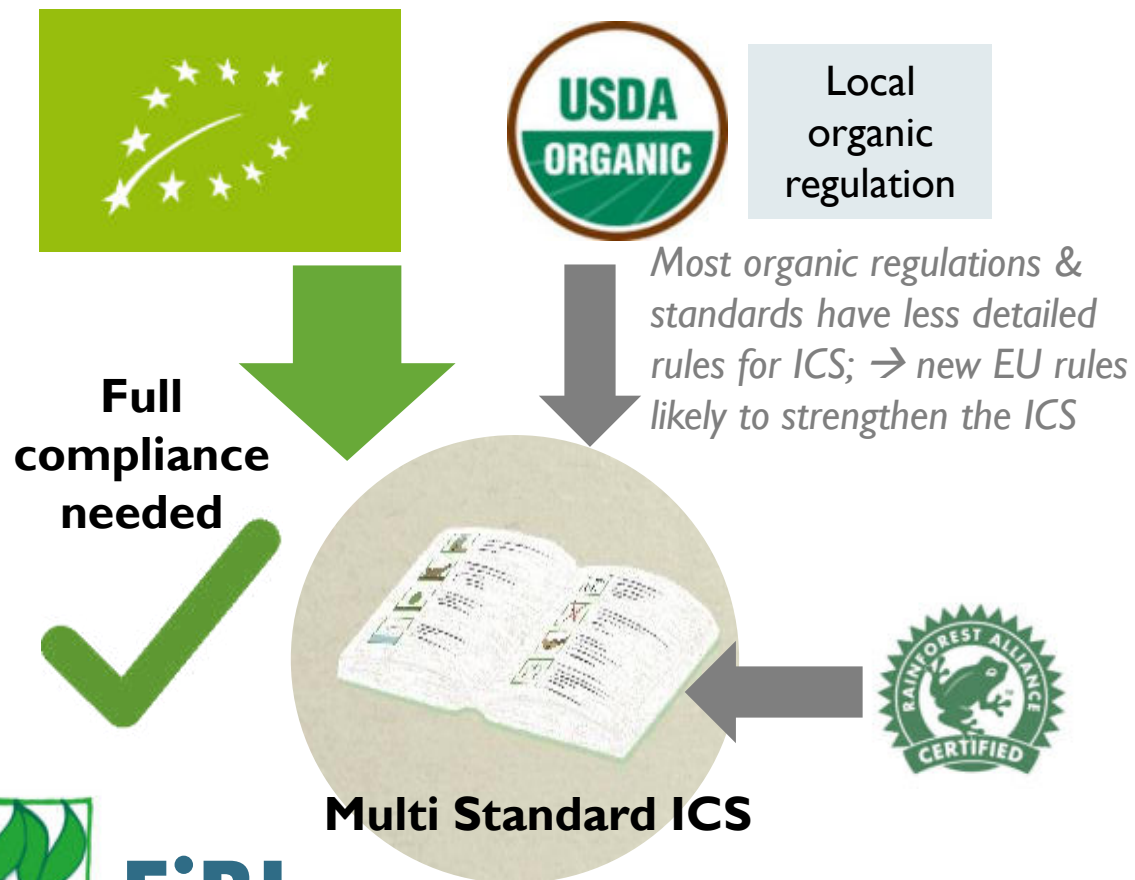
**(vii) Measures in case of non-compliances**

**(vii) Internal traceability of products**

→ The ICS procedures are explained in detail in section 3.3.

# The ICS for multiple standard certification

Most certified organic producer groups operate one combined ICS for all organic and other voluntary sustainability standards the group is certified for. The combination of different production rules in one ICS is still possible, as long as all EU organic requirements are met.



The new EU group control & eligibility requirements (*esp. size & composition of the group & external control*) are now different from other major organic standards and as well as all voluntary sustainability standards



The requirements for the ICS are well defined in the new Regulation and overall in line with the original ICS approach developed 20 years ago. This can help for harmonization & better quality

→ See Handbook Chapter I for basic requirements for GoO certification

# New EU Regulation - Implications for ICS with multiple standards



## Implications of new ICS procedures

- The EU rules for ICS procedures and records are not fundamentally different from previous ICS Guidance, e.g. by IFOAM
- Some aspects are regulated in more detail or in a more prescriptive way (e.g. content of the members list)
- But most of all, the rules are now directly embedded in a regulation that all EU certified organic producer groups will need to fully comply with. Therefore the new ICS rules will need to be consistently applied in all details and verified by the CBs.
- As the ICS requirements are defined in the EU regulation in more detail than in other organic standards, an „upgrade“ of existing ICS procedures to EU requirements will hopefully be acceptable also to private organic standards or other governmental regulations.
- The organic production rules for members for certification according to multiple standards can be combined into simplified Internal Organic Production Rules, as long the internal rules are never below the requirements of any of the regulations/standards.

## New differences to other standards

The new EU basic requirements on dimension & composition & legal entity of the Group of Operators (see Handbook chapter 1), as well as the higher external control will result in new fundamental differences to other organic regulations and standards.

- This may mean that
  - the certified legal entity may be different in future e.g. if for EU certification, a larger group will need to be certified as two new smaller legal group units
  - or the groups may opt to certify only a subgroup of members according to the EU regulation (as GoO) and others according to USDA NOP or other standards
- This additional risk & complexity will need to be carefully managed.

See Handbook chapter 1 for basic requirements for GoO



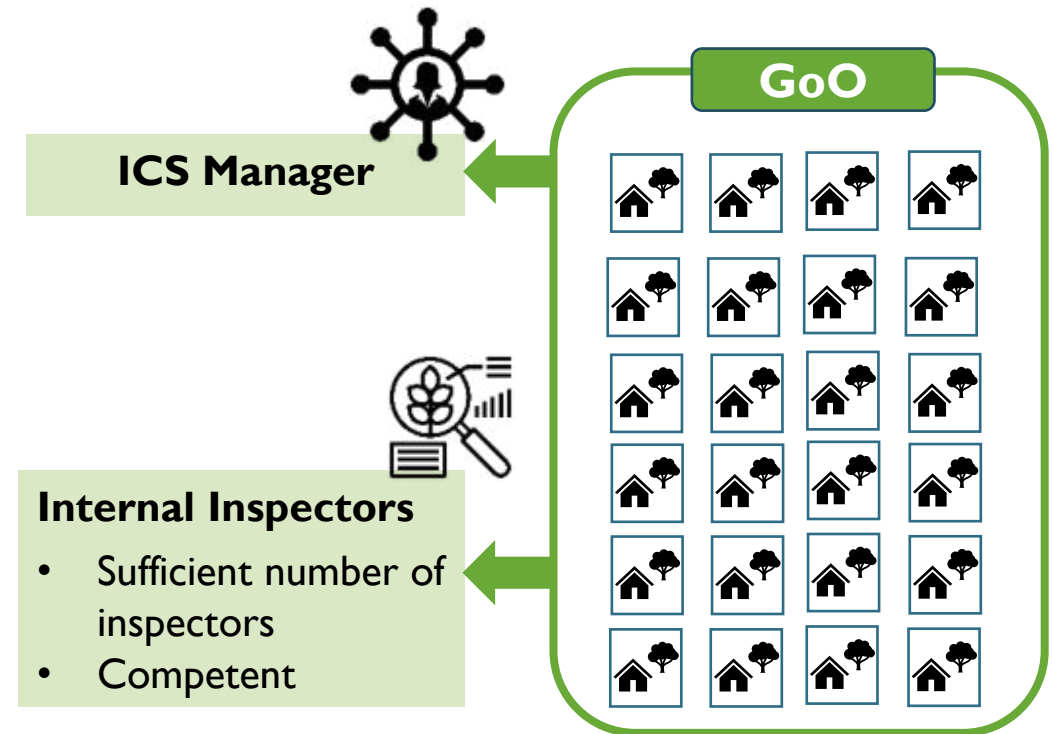
## 3.2 ICS Management & Staff



# ICS key positions

The ICS needs a well-qualified staff to ensure the organic integrity of its products.

- The GoO needs to appoint at least an **ICS manager** and **one or more competent ICS inspectors** who may be a member of the group. **Their positions shall not be combined.**
- **Roles and responsibilities must be clearly defined**, according to the requirements of the new regulation.



# The new key role of the “ICS Manager” in the new EU Regulation



The role of an ICS manager is a senior position within the organisation and requires authority & management capacity as well as technical skills to understand the regulation and manage compliance!

The “ICS manager” has many new important responsibilities

- **Verify eligibility of GoO members , approve new GoO members** or new production units or activities of members
- **Develop ICS procedures, documents and records and ensure that they are kept up to date**, incl. update list of members
- **Schedule internal inspections** and ensure adequate implementation
- **Be liaison to the CB; decide on notifications** to the CB
- **Ensure trainings for ICS inspectors**; annual assessment of competencies and conflicts of interests
- **Decide on measures** in case of non-compliances and ensure measures are followed up
- **Decide on subcontracting activities and sign agreements**

# Key position: The ICS Manager

The ICS manager bears the overall responsibility for the group's certification

## The ICS manager



Coordinates the ICS

Knows about **organic quality control**

Organises **Internal Inspections**

Educated and **able to understand technical standards** and to **develop ICS procedures and forms**

Coordinates **External Inspection** / Reports to the **CB**

Speaks the **local language and the language of the certification body** (is able to communicate with the CB)

Coordinates other ICS **staff members**

**Understands** the principles of **organic agriculture and marketing**

**The ICS Manager may not have Conflicts of Interest** that can jeopardize the integrity of the ICS, e.g. *he/she may not approve or sanction close family members or friends or may not be involved in purchasing.*



# Key positions: ICS Manager



## Reg 2018/848 Art. 36.1 (h)

### The ICS manager shall...

- (i) **verify the eligibility of each member** of the group regarding the criteria set out in 36.1 (a), (b) and (e);
- (ii) **ensure that there is a written and signed membership agreement** between each member and the group, ( → *Details of the GoO members agreement are listed in section 2.3 ICS records*)
- (iii) **develop the ICS procedures and the relevant documents and records, keep them up to date** and make them readily available to the ICS inspectors, and where relevant, to the members of the group;
- (iv) **draw up the list of the (organic) members of the group** and keep it up to date;
- (v) **assign tasks and responsibilities to the ICS inspectors;**
- (vi) **be the liaison between the members of the group and the control body**, including requests for derogations (*exceptions*)
- (vii) **verify annually the conflict of interest statements of the ICS inspectors;**
- (viii) **schedule internal inspections and ensure their adequate implementation** in accordance with the ICS manager's schedule ( → *refers to 36.1.(g)/ii: physical inspection of each GoO member and additional risk based inspections*)
- (ix) **ensure adequate trainings for the ICS inspectors** and carry out an annual **assessment of ICS inspectors' competences** and qualifications;
- (x) **approve new members or new production units or new activities** of existing members;
- (xi) **decide on measures in case of non-compliance** in line with the ICS measures established by documented ICS ( → 36.1.(g)/vii) and ensure the follow-up of those measures;
- (xii) **decide to subcontract activities**, including the subcontracting of the tasks of ICS inspectors, and sign relevant agreements or contracts.

# Key positions: ICS Internal Inspectors

Each GoO needs to appoint a sufficient number of internal inspectors who are competent to conduct the physical organic farm inspection of all members according to the internal inspection schedule once per year.

## The internal inspector

Writes the **Inspection Report**

Speaks the **local language**

**Understands** the principles of **organic agriculture**

**Understands** the **organic production rules & ICS procedures**

**Needs to attend annual training** in organic rules, ICS procedures and inspection techniques



**Guidance for additional qualification:**

Can read and write

Is the 'ears and eyes' of the group

Has an **eye for detail**

**Understands the farmers** and is **respected by them**

**ICS Internal Inspectors may not have Conflicts of Interest** that can jeopardize the integrity of the internal control (e.g. family ties, business interests).



# Key position: ICS Inspectors



## Reg 2018/848 Art. 36.1 (h)

**(h) The ICS shall appoint an ICS manager and one or more ICS inspectors who may be a member of the group. Their positions shall not be combined.**

### Number & Competency of Inspectors

- **The number of ICS inspectors shall be adequate and proportional** in particular to the type, structure, size, products, activities and output of organic production of the group.
- **The ICS inspectors shall be competent** with regard to the products and activities of the group

### The ICS Inspectors shall:

- (i) **carry out internal inspections** of the members of the group according to the schedule and the procedures provided by the ICS manager;
- (ii) **draft internal inspection reports** on the basis of a template and submit it within a reasonable time to the ICS manager;
- (iii) **submit at appointment a written and signed statement on conflict of interest** and update it annually;
- (iv) **participate in trainings.**

# Highly recommended position in ICS : Field Officer

**Competent Field officer / Field Advisors to provide, training advice and support in organic production to farmers are of key importance for a successful organic project!**

- **Provide technical organic farming advise, support and training**
- **Understand organic agriculture methods and best practices in the local context**
- **Communication & coordination link between the group and members**
- **Maintains close contact to farmers; Lives often close to or in the organic area,**
- **Supports farmers in documentation**



Field officers may also act as Internal Inspectors, best for subgroup of farmers other than the group they advise, in order to minimise conflicts of interest by too close relationships with members.



# Other recommended position in ICS: Organic Purchase Staff



Picture: FiBL

## Organic Purchase Staff

- Ensure that organic quality and internal approval status of the farmers is verified at purchase
- Crosscheck harvest estimates and delivered quantities
- Record the purchased organic product volumes & details
- Ensure adequate product labelling, separation and prevention of any contamination of products

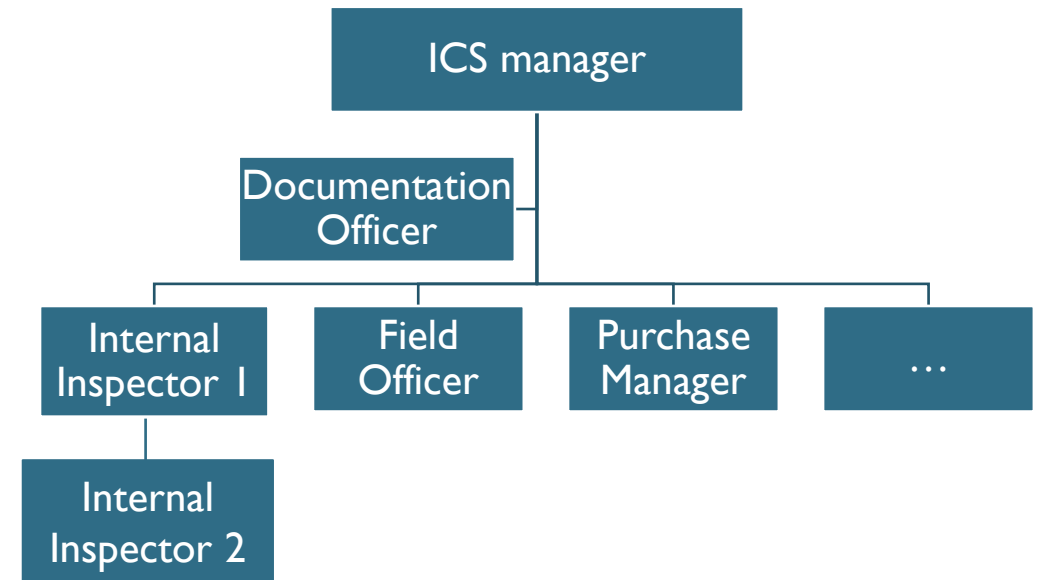
**Purchase staff needs training in ICS procedures & organic product handling requirements!  
If the group purchases both organic and non-organic products, staff needs to be extremely well trained to ensure the organic integrity and avoid contamination of organic products at all times!**

# Best practice: Organisation Chart

The ICS should define all roles and responsibilities of key positions. An overview about hierarchies and decision lines can be well displayed in an organisation chart.

For an organisation chart to display hierarchies and the flow of information within the group and the ICS:

- Write down key tasks and responsibilities for each position
- Write down required qualifications for each position
- Write down the names of responsible persons
- Update regularly



# Key positions of ICS: roles and responsibilities



## Define positions and responsibilities for your group

Discuss in small groups:

- What roles do we have in the ICS now (or plan to have)?
- What are the tasks of the ICS manager at the moment?
- What qualifications and internal decision authority will our ICS manager need in the future? How can this be achieved?
- What qualifications do the internal inspectors need? What further training would be needed?
- Qualification and tasks of other recommended staff in our group?

# Managing potential Conflicts of Interest

## Conflict of Interest Declarations

- **are compulsory for all ICS inspectors;** to be updated each year
- **In the declaration, all relevant interests need to be listed that could risk the objectivity of the member's control, e.g.**
  - Close family or friendship relation with certified members
  - Business relationship (e.g. trading some members' products in own business)
- Providing organic farming support to farmers is not per se a conflict of interest for conducting a good internal inspection as close family/friendship or business relationships are excluded

Also for other ICS staff, including the ICS manager, it is important to be aware of conflicts of interest and manage the risks carefully.



**The ICS manager must then ensure in the ICS planning that ICS inspectors do not inspect members to which they have close relations and where they may have a conflict of interest.**

# Discussion: Conflicts of Interest



## Discuss potential conflicts of interest in your group

Discuss with participants:

- Which situations create conflict of interest for the ICS manager?
- Which situations create conflict of interest for the internal inspector?
- Which other staff must take objective decisions and may be affected by conflicts of interest? How?
- What could be good internal measures to minimise conflicts of interest?

### 3.3 Core ICS procedures



# Core ICS procedures (I)

The ICS manager is responsible to develop all relevant ICS procedures and document and keep them up to date.



## Registration of GoO members and their data

- Verify eligibility
- Membership agreements
- Approval of new members/  
managing conversion
- Members list
- Yield estimates



## Internal inspections

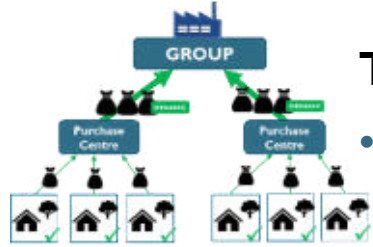
- Basic requirements
- Risk-based internal inspections
- Training of internal inspectors



## Internal approval and sanction procedures

- Measures in case of non-compliances
- Update of records (members list,  
notifications to the CB)
- Follow-up on non-compliances

# Core ICS procedures (II)



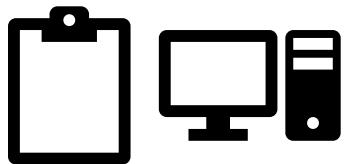
## Traceability and product flow

- Control of product flow from GoO members to group to market
- Internal inspection of purchasing centers
- Cross-checking yield estimates
- Traceability records



## Training of GoO members

- Training on ICS procedures
- Training on organic production rules

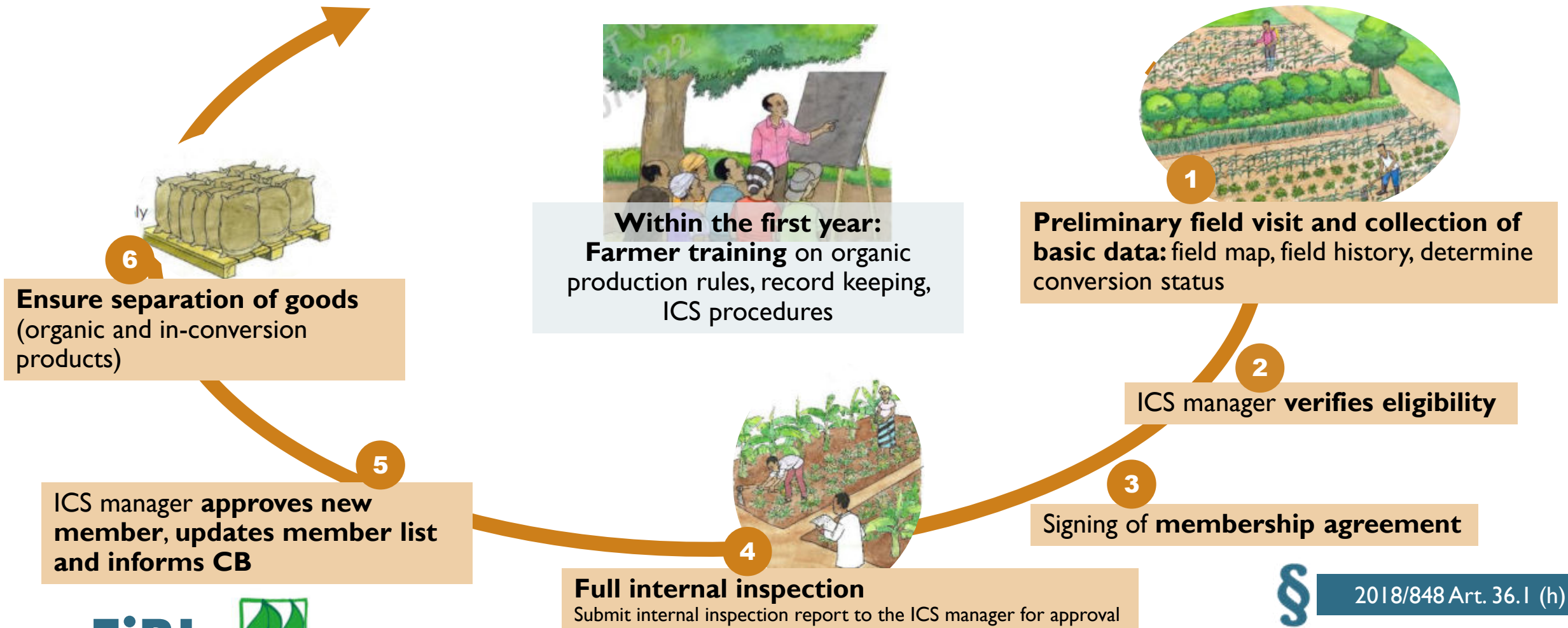


## Control of documents and records



# Registration of new members

The ICS must have documented procedures on the registration of members of the group of operators.



# Verify eligibility of new members

The eligibility of each member of the **GoO** based on the defined criteria must be verified by the **ICS manager**.



→ **See Handbook Section 1.2** for more explanation frequently asked questions on eligibility of members



## The new GoO member



is a farmer under the maximum size/turnover limit (< 5 ha total land, < 25'000€ organic turnover) and commits to organic production



Is not registered to another **GoO** for a given product.



Is in geographic proximity to the other members (at least same country).



**Group size of maximum 2'000 members per GoO is not exceeded.** If yes, a new GoO must be registered and get individually certified.



**Reg. 2018/848 Art. 36.1 (a-e)**

+ Regulation 2021/279 Art 4 & 10

# Membership agreement

The ICS manager must ensure that there is a written and signed membership agreement between each organic member and the GoO. By this agreement, members commit themselves to comply with the organic production rules and to follow ICS procedures.

- **Comply** with the organic production rules
- Participate in the ICS and **comply with ICS procedures**, including record keeping and other tasks and responsibilities assigned to them
- **Permit access** to all production units and premises, as well as documents/records
- **Be present** during internal and external inspection
- **Accept and implement measures** in cases of non-compliances
- **Immediately inform the ICS manager** on suspected non-compliance



**Membership agreements should be available in local language and be easily understood by the farmer.**

The agreements may also include additional obligations of the ICS, e.g. provide field extension service, price setting mechanisms, product quality requirements.

# Managing farmer & land conversion in the ICS

The Conversion of new members or land must be registered and managed by the ICS manager according to defined ICS procedures as approved by the CB. Any retroactive recognition of part of the conversion needs to be granted by the CB only.



## For any new farmer members:

- Date of application; check field history, propose conversion status (as per ICS procedures)
- If the land could qualify for retroactive recognition: provide maps, pictures, record crops grown & volumes harvested, etc. as a proof that it's natural land or not treated with unauthorised substances for at least 3 years.



## For new land parcels or activities of a certified farmer

- **Check previous practices** incl. date of last use of unauthorized substances,
- **Update maps, set proposed conversion status**
- **Check if the organic crop (*bought by the GoO*) grows on the new plots.**  
→ products on new plot must be kept separate from organic harvest during the conversion period! This will require supervision by ICS!

**The ICS Manager will need to take care to keep the organic products separate at all stages from the products of conversion farmers until they have completed the conversion!**

# Discussion – Managing conversion



## Group work - Procedures and risks for managing conversion

**Work in small groups:**

**Discuss your current procedures on conversion and how they can be improved**

- How is conversion status determined in our group? How can it be improved?
- Which risks for commingling of organic and in-conversion products exist in our product flow? How can we minimise these risks?
- Are farmers trained in organic production rules and ICS procedures?

# Members data: List of members

The list of members is a summary of information about each member of the GoO. The ICS manager is responsible that the list is correct and up to date. The list of members shall contain the following elements for each member of the group of operators:



- Name and identification (code number)
- Contact details
- Date of registration
- Total land surface under the management of the member and whether it is part of an organic, in-conversion or non-organic production unit
- Information on each production unit and/or activity:
  - ✓ Size
  - ✓ location, including a map where available
  - ✓ product
  - ✓ date of the beginning of the conversion period
  - ✓ yield estimates
- Date of last internal inspection with the name of internal inspector
- Date of the last external control and name of the inspector of the CB
- Date and version of the list



Reg. 2021/279 Art. 5 + Reg 2018/848 Art. 36.1 (h)

**The list of members must be updated at least annually before external control or after sanctioning farmers.**

# Members data: Yield estimates

The ICS must have procedures in place to estimate yields of organic crops for each member.

## Why yield estimates?

- to determine the **expected production** of each member
- to ensure that **only products produced by the member on the registered plot** are bought by the ICS

- For each production unit and crop, a **yield estimate is recorded in the list of members.**
- The ICS manager should confirm consistency when entering yield information in the members list



Picture: Naturland

## Guidance: Estimating yields

- Determine the **typical yield** for a certain crop **per ha or plant**
- Determine the **total yield per production unit.**
- Consider also experience from **harvest of the previous year**

$$\frac{\text{typical yield}}{\text{ha}} \times \text{total area of the production unit}$$

OR

$$\frac{\text{typical yield}}{\text{plant}} \times \text{no. of plants in the production unit}$$

The **yield may vary** according to slope, soil type, different farming practices, climatic impacts (e.g. drought, flood).





## Discussion - Yield estimates



### How are yield estimates determined in your group?

- What are **typical yields** and **yield ranges** for particular crops in your group?
- What is the **current procedure** for estimating yields?



### Discussion: Do yield estimates need to be improved?

#### **Work in small groups: Discuss your current procedures of yield estimates.**

- Can we provide accurate yield estimates? How may the procedure be improved?
- What challenges do we see for estimating yields in our group?
- Is the estimate cross-checked with actual yields (especially during purchasing procedures)?



# Summary: Collection of data for registration

During the registration process, the **GoO** needs to collect and register complete information about each member.

Information is collected during **initial farm visits** and updated in **annual internal inspections**



It may be helpful to have a **basic data form for each farmer** which may include...

- contact details, location of the farm
- eligibility of the member (farm size/turnover)
- All plots managed by the farmer (with type of crops, acreage, number of trees) under organic management (= organic or in-conversion unit) and not under organic management (non-organic unit)
- farming methods and complexity of the production system
- field history (for determining the begin of conversion)
- Post harvest handling; Storage risk (high/medium risk - more details expected)

**Attention: Compulsory data** must be kept in the **list of members based on member's ICS records!**

**Try to determine specific forms and procedures for data collection that are adapted to your needs.**

# Discussion – Registration procedures and Information update



## Group work - Registration procedures for new members or new fields of existing members

### Work in small groups:

- **Look at your current procedures for registration of new members/new plots of existing members.**  
Which steps are missing? Which steps may be improved? How should it be improved?
  - **How do you record and update information about members?**  
Each member of the group is registered with basic data about the farm and all its production units and premises. This data is collected during initial farm visits and during annual internal inspections.
    - How is information about members currently recorded and updated? (e.g. farm entrance form, inspection report, members list...)
    - Is all required information recorded? What is missing or can be improved?
    - How is the information updated?
    - Is the **list of members** complete? How is it updated?
  - **Membership agreement:** What is missing in your current agreement? What can be improved?
- **Create common templates for farm records, list of members, and membership agreements to be used within your group or union.**

# Internal inspections: Basic requirements

The ICS must ensure internal physical on-the-spot inspections of each member of the group, and any additional risk-based inspections. (Art 36.1.g-ii)

Field visit of organic & conversion unit (all crops), spot-check of non-organic units, nurseries

Farmer interview

Internal inspections include...

ICS farm data correct?

Yield estimate

Post harvest activities and product storage

Use and storage of inputs

Identification of risks and prevention of contamination



## Internal inspection report records:

- ✓ The date of the inspection, name of internal inspector, starting & ending hour
- ✓ Details of members & collection/purchase center to which they deliver
- ✓ Follow-up of corrective action
- ✓ Signed by farmers and internal inspector

**In case of serious non-conformities, the ICS manager must be informed immediately.**

# Recommendations for risk-based internal inspections

Internal inspections planning should be risk-based to ensure that the ICS controls all relevant risks effectively.

## Internal inspection best practice

- **Unpredictable for members**
- **take place at varying times** during the production year
- **be unannounced** for a certain number of members
- Should have a **varying risk focus**



## Guidance:

- **Define the production year** and inspect 100% of members between the last harvest and the next.
- **Finalise internal inspections before harvest** to have an up-to-date list of approved members during purchase.
- **Define critical risk periods** for internal inspections, in case of annual crops these may be very short.



**Find a systematic approach for risk-based internal inspections specific to your group!**

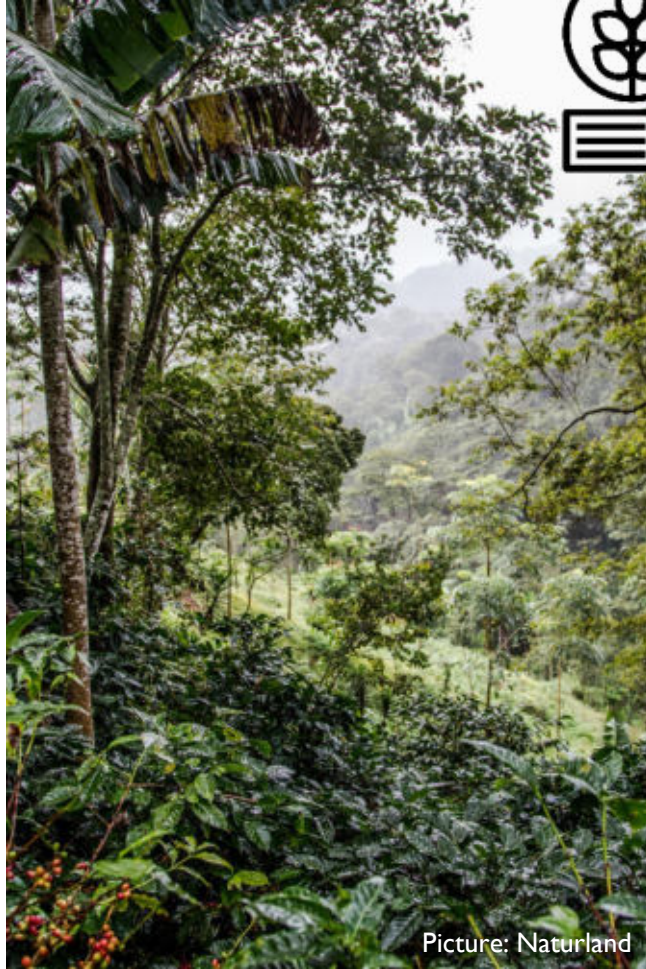
→ See also Handbook Chapter I for precautionary measures and risk management in ICS!



### SAMPLE ICS SCHEDULE

- 20% Rainy season (*herbicide risk*)
- 60% producers in the 2 months before harvest,
- 20% at harvest time (*separation, contamination*)

# Guidance: Tips for effective internal inspections



Picture: Naturland



## During internal inspections watch out to...

- ✓ **Have an Opening and Closing** of the inspection: In the beginning, tell what you are going to do, and in the end, summarise findings and discuss with farmer the follow-up or recommendations
- ✓ **Do not ask yes/no questions**
- ✓ **Cross-checks** information (e.g. crop estimate versus cultivated areas & field impression; asking neighbours, family or farm workers)
- ✓ Know **how to identify traces of pesticides, fertilisers** etc.
- ✓ **Look all around the farm** including storage areas, garbage heaps
- ✓ Know about **governmental agrochemical promotion programs**
- ✓ Have **fellow farmers participate** in the inspection
- ✓ Visit **input stores in the area** if possible

# Guidance: Risk focus during internal inspections

## Some focus areas that may be applied during internal inspections and possible associated risks





# Internal inspections



## Reg. 2018/848 Art. 36.1 (g)

The system for internal controls (ICS) shall comprise documented procedures on

(ii) The internal inspections, which include the **annual internal physical on-the-spot inspections** of each member of the group, and any **additional risk-based inspections**, in any case **scheduled by the ICS manager** and **conducted by ICS inspectors**.

(iv) The **training of the ICS inspectors**, which is to take place at least annually and to be accompanied by an assessment of the knowledge acquired by the participants.

→ Results of the internal inspection are documented in the internal inspection report/form which must be submitted to the ICS manager in a reasonable time.

→ See also Handbook Chapter III (this chapter) for roles and responsibilities of the ICS inspector and the ICS manager related to internal inspections.



# Internal inspection report/form

*Results of the internal inspection are documented in the internal inspection report/form which must be submitted to the ICS manager in a reasonable time.*



## **Reg. 2021/279 Art. 5 (c)**

The internal inspection report/form is signed by the ICS inspector and the inspected member of the GoO and includes at least the following elements.

- The name of the member
- The location of the production unit or premises, including purchase and collection centers
- The date and starting and ending hour of the internal inspection
- The findings of the inspection
- The audit scope/perimeter
- The date of issue of the report
- The name of the internal inspector





# Discussion - Internal inspections



## Discussion: Risk-based internal inspections

### Develop a systemic risk approach for your group.

- What makes inspections predictable?
- When should internal inspections be planned? Which are critical times in the production year and what are the associated risks during these periods?
- Draft a sample internal inspection schedule based on your risk approach.
- Which focus areas may be applied during internal inspections in your group? Which risks are associated with it?
- How is risk management already considered in current internal inspection procedures? How can it be improved?
- Check your internal inspection report template – is it complete? How may it be improved?
- Discuss the process of an internal inspection: What is the internal inspector going to do step by step?

# Training of internal inspectors

**Internal inspectors must participate in annual trainings (organised by the ICS manager). The training shall improve their knowledge and capacity to conduct internal inspections.**



Picture: Naturland

## Training content includes e.g.

- ICS rules and procedures
- Organic production rules
- Inspection techniques
- Manage conflict of interest



**Assessment of knowledge and skills acquired**

**Annual Assessment of competency and qualification**  
*by the ICS manager!*

**Other assessment by ICS manager** e.g. shadow audits, quality of ICS reports



**Trainings of ICS inspectors must be documented!**

2018/848 Art. 36.1 (h) + 2021/279 Art. 5 (d)

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# Training of internal inspectors



2018/848 Art. 36.1 (h); 2021/279 Art. 5 (d)

The ICS manager shall ensure adequate trainings for the ICS inspectors and carry out an annual assessment of ICS inspectors' competences and qualifications;

The ICS inspector shall participate in [annual] trainings;

The training records of the ICS inspectors consist of:

- Dates of the training
- Subject matter of the training
- Name of the trainer
- Signature of the trainee
- Assessment of the knowledge acquired

# Internal approval and sanction procedures

The ICS must have documented procedures for approval and sanctioning of GoO members. This includes defined measures in cases of non-compliances and their follow-up by the ICS manager.

**Follow-up** on sanction measures and corrective actions in internal inspections, field visits, trainings

**Sanction measures in case of non-compliances and their follow-up must be documented!**



1

**Non-compliance identified** during internal inspection

2

**Apply sanction measures**, e.g.

- Re-entering the conversion period
- Withdrawal
- No marketing of the affected products
- Implement corrective actions

3

**Update records**

- Update list of members
- Notify the CB if required
- Inform purchase center

4

Approval of new members is based on the internal inspection report, see also „Registration of new members“



2018/848 Art. 36.1 (g, h) + 2021/279 Art. 5 & 6



# Measures in case of non-compliance



2018/848 Art. 36.1 (g, h)

**The ICS shall comprise documented procedures on the measures in cases of non-compliance** detected during the internal inspections, including their follow up.

**The ICS manager shall decide on measures in case of non-compliance** in line with the ICS measures established by documented procedures in accordance with point g and ensure the follow-up of those measures.



2021/279 Art. 5 (f)

**The ICS manager shall keep records** of the measures taken in case of non-compliance of members. **These records shall include:**

- The members subjected to measures due to non-compliance, including those suspended, withdrawn or required to comply with a new conversion period
- Documentation of identified non-compliance
- Documentation of follow-up of the measures



# Notifications from the ICS Manager



2021/279 Art. 6

**The ICS manager shall immediately notify the control body of the following information**

- Any **suspicion of major and critical non-compliance**
- Any **suspension or withdrawal** of a member or a production unit or premises, including purchase and collection centres, from the group
- Any **prohibition of the placing on the market** of a product as organic or in-conversion, including the name of the member or members concerned, the relevant quantities and lot identification.

## **New EU categories of non-compliances:**

Minor non-compliance

Major non-compliance

Critical non-compliance



Third country CB „shall“ develop a catalogue of measures with these 3 non-compliance categories (Reg. 2021/1698 Art. 22 & Annex IV)

# Discussion – Internal approval and sanction procedures



## Group work: Review sanction (and approval) procedures

Review your current sanction procedures and measures in case of non-compliances.

Work in small groups:

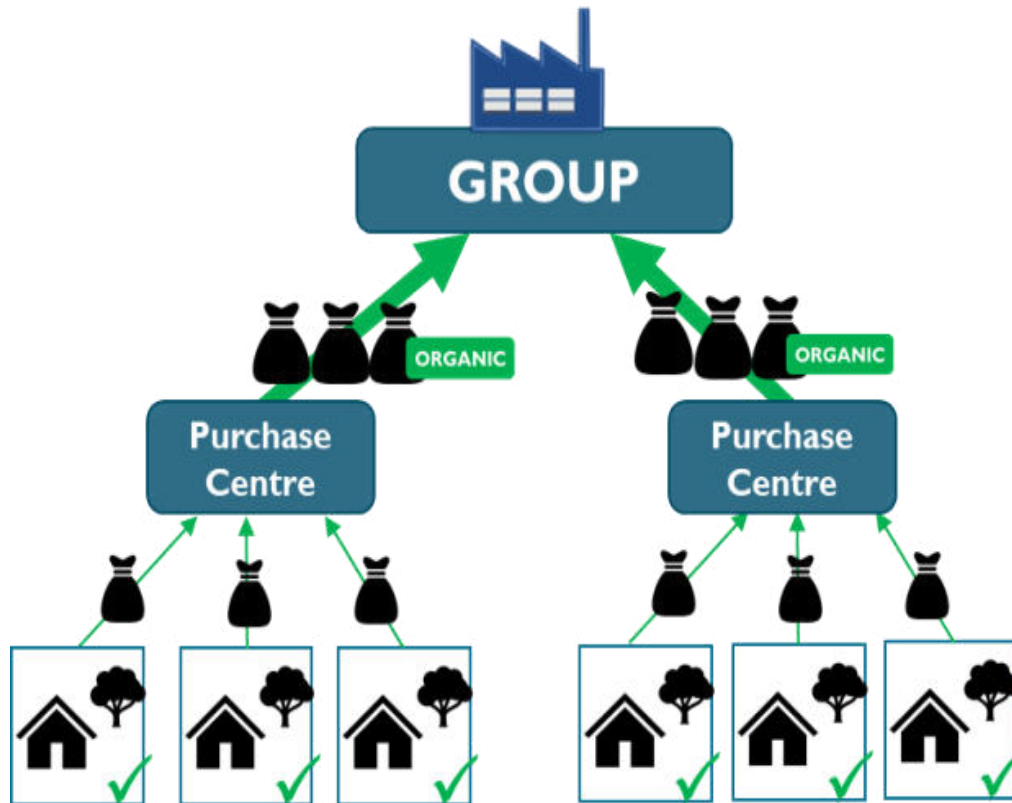
Which measures are taken? Are they appropriate and efficient?

How can current procedures be improved?

How is the detection of non-compliances recorded and how is the follow-up done?

# Traceability and product flow control

The ICS must ensure the full traceability from the farm to the final sales of the GoO by having control over all activities and quantities in the product flow.



## Activities in the product flow

- ➔ **Marketing** of the products by the GoO
- ➔ **Storage, Preparation**
- ➔ **Purchasing or collection** of the products from each member including a **cross-check of delivered quantities with yields** of each member
- ➔ **Production** and harvest
- ➔ **Purchase and distribution of farm inputs** incl. seeds or plant reproductive material

**Records must be kept for all activities and quantities at all stages**



# Traceability and product flow control

**Control of purchasing centers and collection points** through internal inspections

**Cross check the delivered quantities with yield estimates** of members during purchase

**Ensure the separation of goods at all stages** according to different qualities (organic, in-conversion, conventional)

**Have a consistent lot identification system** including a list of the producers involved in a lot

**Precautionary measures** to prevent commingling or contamination e.g. use of clean bags and storage areas



2018/848 Art. 36.1 (g)  
+ 2021/279 Art. 5 (g)



# Traceability



2018/848 Art. 36.1 (g)

The system for internal controls (ICS) shall comprise **documented procedures on the internal traceability**, which

- Shows the **origin of the products** delivered in the joint marketing system of the group
- Allows the **tracing of all products of all members throughout all stages** (e.g. production, processing, preparation, placing on the market)
- Allows the **estimating and cross-checking the yields** of each member of the group

2021/279 Art. 5 (g)

**The ICS shall keep traceability records**, including:

- Information on the **quantities**
- Information on the following **activities**, where relevant:
  - Purchase and distribution of farm inputs, including plant reproductive material by the group
  - Production including harvest
  - Storing
  - Preparation
  - Delivery of products from each member to the joint marketing system
  - Placing on the market of products by the group of operators

# Discussion – Traceability



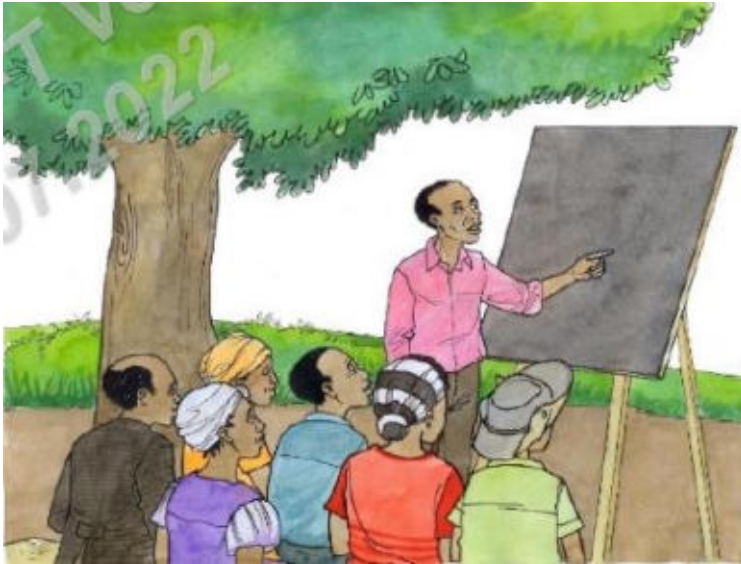
## Improve your internal traceability system

Review your current traceability system. Work in small groups:

- Which activities are included? Which are missing?
- Which risks exist in the product flow (e.g. for separation, contamination, identification of lots)? How can these risks be mitigated?
- Which documentation/records are issued and how may it be improved?

# Training of members

The ICS shall have procedures to carry out training of members on ICS procedures and organic production rules.



**The ICS must keep records of member trainings!**

## Implement a riks-based training procedure

- **Initial training** for all new members
- **Regular update of trainings** on ICS procedures and organic production requirements
- Identify **topics that need improvement by many members**, including also trainings as follow-up for detected non-compliances



**Ongoing support in organic production** and training advice for farmers is of key importance for a successful organic farm!

Include **practical field visit and explanations**

**Recommended staff: Competent field officer/field advisor!**

2018/848 Art. 36.1 (g) + 2021/279 Art. 5 (e)



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# Control of documents and records

The **GoO** must keep control over documents and records of its **ICS** procedures. These ICS procedures are often documented in an ICS Manual.

**Group of Operators**  
(Cooperative, Farmer association...)



defines **ICS** procedures and **internal rules & requirements** for **documentation/record keeping**

Develop common templates for records and documentation to be used within the GoO



**ICS Manual**

→ can be one document or a compilation of procedures and documents.



Ensure **regular update** of the procedures and communicate any changes to staff or members if relevant.

2018/848 Art. 36.1 (g) §

## 3.4 Compulsory ICS Data & Records

- List of members
- Membership agreements
- Internal inspection reports
- Training records ICS inspectors
- Conflict of interest records ICS inspectors
- Training records of members
- Measures taken in case of non-compliances
- Traceability records
- Subcontracting agreements
- Appointments of ICS manager & internal inspectors



2021/279 Art. 5

# Imprint

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