



PROCEEDINGS

Regional Experience Sharing Workshop – Participatory
Guarantee Systems in the Mekong region

1st – 3rd of October 2018 – Vientiane, Laos

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1 - Presentation of the Regional Experience Sharing Workshop on Participatory Guarantee Systems in the Mekong Region

On the 1 – 3 of October 2018, over 65 participants from Cambodia, Laos, India, Myanmar, Thailand, Vietnam and from different background (Government agencies, Research Institutes, Universities, Development practitioners and private sector) gathered at the Vansana Riverside Hotel in Vientiane, Laos, for a Regional experience sharing workshop about Participatory Guarantee Systems (PGS) to promote Agroecology in the Mekong Region.

This workshop was organized by GRET in the framework of the Agroecology Learning alliance in South East Asia (ALiSEA) with the financial support from the French Agency for Development (AFD) and the Conseil Général des Hauts de Seine (CG92).

A - Objective of the Workshop: supporting the development of PGS in the Mekong Region

Participatory Guarantee Systems (PGS) emerged over 40 years ago, as “locally focused quality assurance systems [...] based on the active participation of stakeholders and built on a foundation of trust, social networks and knowledge exchange.” (IFOAM-Organics International, 2008). In several European countries (France, Italy, Spain, Portugal, Japan) organic farmers were initially inspected by committees that involved farmers as well as retailers, processors and/or consumers (Sylvander, 1997). Later on, PGS were revived in Brazil (where alternatives to certification have been sought since the 1990s), India and Mexico (Fonseca et al., 2004; Khosla, 2006; Nelson et al. 2016). Today, PGS are recognized as a suitable alternative to third-party certification for smallholders for several reasons: `

1/ the cost of participation is much lower, and mostly takes the form of voluntary time involvement rather than financial expenses (May, 2016);

2/ by developing trust and mutual understanding between farmers and other stakeholders, PGS help develop multi-stakeholder dialogue and collective learning processes (PGS is often characterized as “knowledge intensive”);

3/ as a result, PGS are powerful instruments to stimulate local market development as they play a key role in developing consumer confidence in local produce.

PGS are therefore particularly relevant for organic and agroecological products in the Great Mekong Sub region (GMS), where a large majority of producers are smallholders who could benefit from a low-cost and adaptive certification system to access niche markets with premium prices and thereby foster organic and agroecological farming in the sub region. Moreover, recent studies (Vagneron *et al.*, 2015, Vagneron *et al.*, 2018) show the extent of consumer concern regarding food safety, and consumer ignorance regarding sustainable production methods in agriculture.

The **objective** of the workshop was to support the emergence of PGS in the Mekong region through:

- Sharing experiences in the implementation of PGS from the perspective of different stakeholders
- Identifying and better understanding the constraints to the development of genuinely participatory PGS
- Drawing operational and policy recommendations for an improved and widespread implementation of PGS across the Mekong Region.

B - Organization of the event

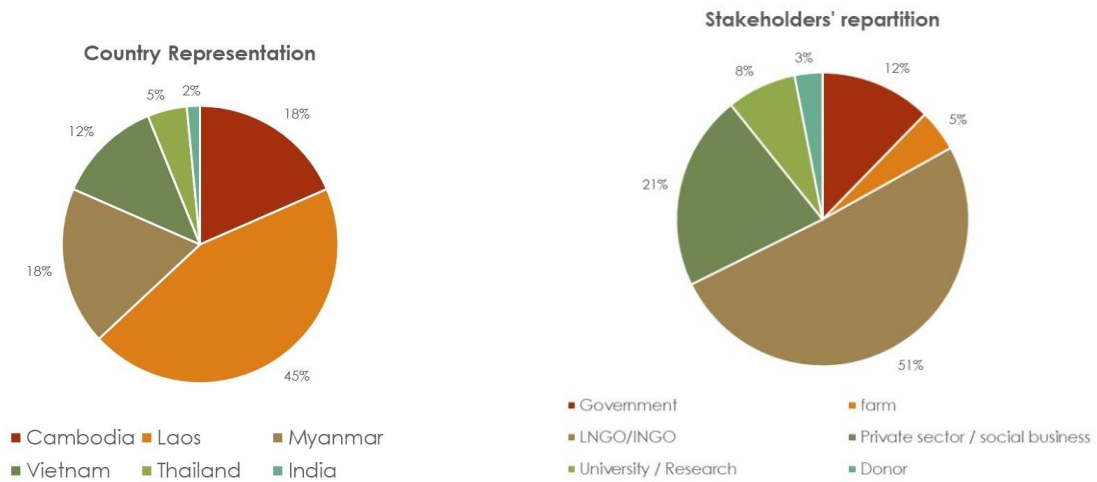
The event followed a 3 steps approach:

- A **Field visit** to provide participants with a first-hand experiencing organic agriculture in Laos (visit to 2 different farms, and to the Vientiane Organic Market) and opportunities for informal networking and get to know each other among workshop participants
- A full day dedicated to **take stock of existing initiatives & knowledge** about PGS in the GMS through Key note presentations, Case studies addressing diversity of PGS initiatives across the Mekong Region and a Knowledge fair & Poster session
- A full day of **reflecting & working collectively** with group work to further develop PGS at country level & a World café to identify best practices & policy recommendations for development practitioners, policy makers and private sector.

C – Participants' profiles

The regional forum gathered 65 participants from 12 nationalities coming from 6 countries (Cambodia, Laos, India, Myanmar, Thailand, Vietnam) and from different background (Government agencies, Research Institutes, Universities, Development practitioners and private sector).

The profiles of all the participants is available here:



2- Outputs of the Regional Experience Sharing Workshop

A- Field visits on 1st of October

1. Morning field visit

In the morning of the 1st of October, the participants attended a field visit in organic farms in Vientiane. They could choose between two possible farms: Panyanivej Farm and Agroasie Farm.

➤ Panyanivej Farm

Presentation of Panyanivej enterprise

Panyanivej farm was founded in 2008 by PADETC (a non-profit Lao organization) to promote and showcase sustainable agriculture using appropriate technologies. In 2014, Panyanivej became an independent social enterprise, owned by Somchit and her husband, Nont, that aims at promoting organic farming to the largest public possible, be it students, professionals or tourists. The farm offers a choice of services such as outdoor classroom, farm visit for tourists and hosts interns.



More information on Panyanivej Farm: https://www.facebook.com/panyanivej.farm/photos?lst=1273172946%3A100009287307415%3A1535083603&source_ref=pb_friends_tl

The **topics discussed** during the field visit at Panyanivej Farm included:

- The different productions on the farm;
- The way to build trustful relationships with customers / Community Supported Agriculture (CSA);
- Awareness raising and educational program about agriculture.

Some elements that emerged from the **discussion** with the participants during the visit:

- Strong interest for the approach of Panyanivej toward their customers (vegetable bucket delivery / on-farm visits of customers) and on the sensitization and education efforts of the Panyanivej team (visits of the farm by school children);
- Challenge with soil fertility: participants noted a lack of use of natural fertilizers and emphasized on the benefits of having a few livestock in the farm to develop integrated agriculture;
- Discussion on the situation of land grabbing near the production site
- Discussion on the opportunities for young people in agroecology farming and on the need to network agroecology farmers

➤ Agroasie Farm

Agroasie presentation

AgroAsie is a social enterprise aiming at creating employment through organic agriculture in one of the poorest district of Laos, Sangthong district. The team started in 2010 by experimenting with what could grow best on the farm, following strict organic systems and be sold in their shop in Vientiane. Agroasie is now 5 ha large and is specializing in growing health teas (rosella, moringa, neem), spices (tumeric and chillies) as well as beans (mung beans, black and red beans). The farm also grows fruit (banana, papaya, pineapple)

that the team is planning to dry on the farm and sell as dry fruits. Agroasie is also working with a local organic rice cooperative, located about 20 km from the farm, to grow sticky rice as well as white long grain, black and brown rice. The enterprise established partnerships with farming families that grow moringa. Agroasie products are certified organic by the Lao government certification body and is certified member of Fair Trade Laos. Agroasie also runs a shop to display organic and fair trade products in Vientiane city center.



More information on Agroasie on: <http://www.agroasie.com/index.html>

The **topics discussed** during the field visit included:

- the different productions on the farm,
- the certification process (organic certification with LCB)
- the marketing strategy of Agroasie

2. Afternoon field visit

In the afternoon of the 1st of October, participants visited the **Organic Market** of Vientiane.

First organic farmer groups

- 2005: the first group of organic farmers in Vientiane was created (17 farmers).
- 2012: 6 groups, 77 producers.
- 2013: 7 groups, 65 producers distributed over 7 districts (Hat Xay Khong, Xaysettha, Xaythani, Sikho, Sisattanak).

Production started in 2005 and sales on the organic market started in December 2006.

Organic markets

The first organic market was located at That Luang Park (Vientiane Capital) twice a week. At present, there are two main organic markets: one was recently relocated from That Luang Park to ITEC and the other one is at Chao FaNgum Park.

The operating hours of organic markets is 8:00 am-12:00 at noon of every Wednesday and Saturday for That Luang Park while it is 13:00 pm-18:00 pm of every Monday and Thursday for Chao FaNgum Park.

The organic market was recently closed at That Luang Park. The organic market has moved to ITECC.

Sales

Total sales in That Luang and Chao FaNgum Park markets significantly increased.

That Luang market: from 25 million LAK per week (2,900 USD) in 2008 to 35 million LAK (4,300 USD) per week in 2012.

Jan-Oct. 2008:

- Total organic vegetable sales = 42,000 kg
- Total organic fruit sales = 21,000 kg
- Total organic F&V sales = 541 Mn LAK (63,000 USD) [~3,000 USD per week]
- Total income of the market = 997 Mn LAK (116,000 USD) [~ 5,600 USD per week]

2013: market turnover = 35 million LAK (4,000 USD per week) for the organic part.

Total sales in That Luang Park is around 4-5 ton a day in rainy season (8 tons a day in dry season). Most of member in organic farmer group sale their products in both markets. However, in rainy season 20-30% of products are sold outside the organic market because of higher price.

2013: farmer incomes reached 4-15 million LAK per month.

Market operation

Around 100 producers sold on the organic market in 2013. Today?

The market had two sections in 2013.

- Organic market for certified farmers,
- Conventional/GAP market.

To be able to sell at the market (get a table) farmers must pay 30,000 LAK. This money goes to the fund managed by the producer group. Farmers decide what they will do with the money. Before bringing their products to the market, farmers must send the market organizers a sheet on which they indicate what amount of products they bring. They must also report how much they sold. Farmers arrive early and must compare what they said they would bring with the actual amount brought.

Farmers on the market sell 20% of their products on other markets and also some products on their farm.

2013: around 500 buyers per week (2 market days). Most buyers at the beginning were foreigners, MAF staff and hotels & restaurants, wealthy people. This seems to be changing.

Several people came from other provinces to see how this market is organized. Other organic markets in the country: Xiengkhouang, Luang Prabang

Problems

- organic market on 2 main locations (Fangnum Park, ITECC) + other small location (Vientiane World Trade Center): locations keep changing and are not all suitable;
- organic market location has changed many times and the structure does not allow to protect well from rain or sun;
- market should be better promoted;
- unclear allocation process;

Due to these limitations, farmers have limited opportunities to sell their vegetable. This may be the main bottleneck.

C. Presentations

The presentations started on Day 2 (Oct 2) morning with key note speakers' presentations to set the context of PGS certification in the region.

- Mrs Isabelle Vagneron, "Certifying Organic Agriculture, Agroecology, Geographic Indications, Fair Trade: What are we talking about?"
- Mr Bablu Ganguly on "Organic and PGS status in Asia"

These plenary presentations were then followed by two thematic sessions. The **first session** aimed at highlighting the diversity of PGS initiatives across the Mekong Region with presentations on PGS experiences in different commodities. Speakers' organizations were: RIKOLTO Vietnam, CARITAS Cambodia, ICCO Myanmar, GRET Delta Myanmar, GRET Bamboo in Laos, Genius Coffee Myanmar.

The **second session** aimed at giving the view of different stakeholders on PGS implementation with presentations from:

- Government (DoA Laos / GDA Cambodia / VAAS Vietnam / MAF Myanmar),
- Farmers organizations (MOGPA Myanmar / Timbaktu India),
- private sector (NAV Cambodia), Greenet Thailand), and
- NGOs (Seed to Table VN / CEDAC Cambodia / PGS Committee Vietnam)

Finally, **two presentations** on the afternoon of day 3 aimed at broadening the scope by presenting other examples of organic certifications and initiatives.

- Sustainable Rice Platform & Private brand (Ibis Rice WCS) by Nicholas Spencer
- Mindful markets (School of Wellbeing Thailand) by Hans and Wallapa Van Willenswaard

All the presentations are available for downloading here:

<https://ali-sea.org/regional-workshop-about-participatory-guarantee-systems-pgs-to-promote-agroecology-in-the-mekong-region-vientiane-laos-1-3-october-2018/>

B. Proceedings of group discussions

On the day 3 of the workshop, participants worked on **reflecting and working collectively** in groups to further develop PGS at country level. Two groups activities were organized successively:

- Country group work to develop policy recommendations to scale up PGS at country level (Laos, Vietnam, Myanmar, Cambodia)
- Word café to identify best practices & policy recommendations for development practitioners, policy makers and private sector

1. National Group work

Four groups were elaborated for Laos / Vietnam / Cambodia / Myanmar. Each group gathered people with different background working in the same country with the objective of drawing policy guidelines to scale up PGS at country level.

The groups had to answer three questions:

Question 1: What is the current situation of PGS in your country?

Question 2: What are the challenges to the development of PGS at country level?

Question 3: What are the main recommendations to scale up PGS in your country?

Lao PDR

Question 1

On the policy support / legal framework:

- The legal framework has been implemented since 2015
- Regulation and organizational mechanisms are already implemented by the government

Existing PGS initiatives in Laos:

- SAEDA in 5 districts
- Bamboo project in Huapanh
- Initiative on Savannakhet but lack of information on this project

Current benefits of PGS noted in Laos:

PGS are less costly, progressive transition to organic, farmers can learn better practices and monitor well their production system, PGS are a good way to build trust between consumers and

sellers, it can also link a producer with other producers who share the same value and way of working. It can give more power to farmers.

Question 2

- Information sharing on and between PGS initiatives is limited (DoA proposed to facilitate discussion but was not really done), fragmentation of information and initiatives
- Limited access to information for private sector to get involved and develop PGS
- Confusion on PGS certification, especially for private actors. Many actors are still confused whether PGS is always organic or not. The private sector is still not clear on the benefits it can get from PGS.
- Consumers are not very involved in the process
- Monitoring system from the government is limited
- Very strong guidelines from the government which limit the participatory mechanism. It would be better to talk about framework than guidelines
- Current guidelines from the government are difficult to implement on the field
- Not much space for the private sector in the development of PGS

Question 3

- Involving more consumers: developing consumers associations
- More space for the private sector
- Clarifying PGS as a system rather than a standard for all actors
- Government guidelines should be applied at minima to give more flexibility to participatory system
- Creating PGS group to exchange information and to work together on strategies
- Discussing a mechanism to be developed to recognize PGS within the Lao standard and by the society (to reach international and local consumers)

Vietnam

Question 1

At policy level:

- National Standard for Organic Production **NSOP**
- Decree for Organic Agriculture issued on 29 Aug 2018 → PGS is mentioned in Decree, PGS is not really recognized as certification, just as monitoring system under Decree 109
- Third party certifying Agency already functioning based on **NSOP**

Practical experiences:

- PGS organic: Vietnamese PGS standard recognized by IFOAM;

- For organic production, 1.200 Farmers in 9 Provinces with vegetables, pomelo, orange, banana, coconut.
- 6 PGS Safe applying VietGAP for vegetables; 240 Farmers, 3 Provinces;

Domestic market:

- Big demand for safe food in Big cities like Hanoi, HCM, Da Nang;
- Consumers are confused about Organic, PGS, Safe PGS;
- PGS is not well known for Consumers and Policy Makers;

Question 2

At policy level:

- Not yet recognized PGS organic as alternative certification system;
- If PGS system wants to be recognized, they have to follow the National Standard of Organic Production
- Has not yet formed national network for PGS organic
- There is no unified Database system for the national network
- Limited Capacity building for both policy makers and producers

Practical experiences:

- There are some local government inactive and lack of knowledge in PGS;
- Limited participation of different stakeholders;
- Local coordination board in some places are complicated;
- Farmers have limited skills in financial management, production plan, inspection...

Domestic Market:

- Improve market linkage;
- Value chain approach;
- Education for Consumers;
- Open organic farmers market;

Question 3:

Policy level:

- PGS organic standard should be harmonized with national standard Organic Production;
- The government should recognize PGS system as alternative certification system;
- Policy for land consolidation;
- Integrate PGS in the new rural development program.

Practical experience:

- Promote young people for PGS;

- Putting PGS activities to education programs for all;
- Financial support for capacity building/ researches for PGS by using exiting Agricultural Development Policy;
- Establish strategic partnership between local government and NGOs;
- Promoting PGS to public
- Stable for financial resource to maintain PGS organic Groups;

For the market:

- Building platform among stakeholders to share information about production and other PGS commodities;
- Improve market linkage, search for new market and strengthen the existing one

Kingdom of Cambodia

Question 1:

- Acknowledgment from government has been done, and PGS may be used as a national Program;
- PGS is in compliance with national system for organic standards (CAM org);
- PGS policy statement and technical guideline have already been drafted;
- NGOs are already involved in PGS in projects for smallholder farmers livelihood improvement;
- NGOs use PGS as a tool for engaging the dialogue between producers and consumers.

Question 2:

- Limited knowledge for implementers (NGOs-farmers) in organic concepts
- Traceability from farm to consumers has to be improved
- The collaboration for agriculture extension with universities/researchers should be improved
- Limited access to certified inputs
- Inconsistent supplying to markets
- The misunderstanding of PGS as a tool / approach or as a standard for organic certification
- Private sector: super-markets recognize the PGS / high income for farmers / good label
- Consumers don't really know about PGS. Consumers are sometimes confused about natural or organic agriculture. They also changed the perception to consider more the relation between safe and organic products.

Question 3:

- Establish national coordination body and certified body. Elaboration of a PGS national logo;
- PDA has to be involved in PGS process;

- Allocation budget from NGOs to the private sector;
- Raising consumers' awareness about PGS (workshop, forum, site visits);
- Set up outlet of PGS at community center (farmer markets).

Myanmar

Question 1:

Policy level:

- PGS is at introduction stage for government bodies
- Common understanding is required among stakeholders
- National organic standards are not yet available

Private sector:

- Lack of collaboration
- Lack of awareness on PGS
- 10 PGS projects started
- 20 PGS projects certified

Question 2:

- Recognition by institutions for PGS is limited
- Consumers are still confused in PGS and organic certification
- Non-organic PGS products is still possible
- Lack of awareness in certification
- Absence of organic standards
- Wrong understanding in organic value chain
- Low application of food safety laws and regulations
- Lack of marketing of standards and certifications

Question 3:

- Need to implement a coordination body
- To organize the farmers groups and linkage with trade organizations
- Myanmar translation for PGS
- Consumer awareness raising through internet, with mobile application or Facebook
- To be careful in top down approach and make sure to preserve a participatory approach
- To show clearly about advantages of PGS
- To make labelling / branding of PGS

2. World Café

The second group work of Day 3 consisted in a Word Café. 3 different groups were elaborated with participants with diverse background. Each of the group had to work to identify best practices & policy recommendations for the following categories of actors:

- Private sector
- Government
- Development practitioners

Development Practitioners

Recommendations to development practitioners to scale up PGS adoption;

➤ **Project / program approach**

- Donors should focus more on quality rather than number or quantity.
- Bottom-up approach should be favoured instead of top-down approach / The role of the organization and staffs should be only a facilitator role.
- Problem or risk-based would be the good approach to pursue farmers to become PGS farmers. (for instance, the farming problem such as soil problems and pests outbreak issues)
- Good leadership is the key to achieve PGS. So the selection of the right farmer is crucial. The selected farmers have to take a leadership role within the group. Some criteria to select the right person should be considered such as experience, eager to learn new methods and communication skills.
- No flexibility in the PGS system should be applied. The one who breaks the PGS principles should be taken out from the group.
- The PGS guidelines developed should be simplified and user- friendly as much as possible because the great majority of smallholder are illiterate. Documentations should not be barriers for the farmers.
- Integration plans and strategy should be considered in the future. For instance, how to integrate existing FFS with PGS.

➤ **Activity focus**

Youth

- Youth or young farmers should be encouraged to involve in the PGS system because they are familiar with the new technology and IT.
- Young generation involvement is vital and so the PGS organizers should explore the new opportunities for the young farmers for their security. (by using social media and IT, the young farmer can explore the new markets and also deal directly with the customer)
- The young consumer should be targeted and prioritized for PGS products.

Production focus / techniques

- Value-added products should be created.
- Availability of the inputs especially composts is crucial for PGS. So it should be considered as a priority before organizing PGS groups.

Capacity building

- Soft skills such as bookkeeping, financial control and management skill should be given by the organizers for the PGS farmers to run SME.
- Regular capacity development should be done and in place for the partners by GRET as a leading organization.
- The PGS farmers should be given communication and negotiation skills by the extension staffs as they have to deal with the government and other crucial parties.

Market

- More focus on local food supply system rather than exported oriented approach / Should focus more on local farmers and consumers
- Creating a good business environment should be done for PGS farmers by the skilful trainers.

Sensitization and awareness

- Consumer education should be done regularly and intensively.
- PGS should be included and mainstreamed in the education programme.
- GRET should be taken a leading role to do Lobby & Advocacy for the regional level decision makers and authorities.

Building communication and trust among actors

- To ensure to build a space to meet farmers and consumer directly.

Private sector

Recommendations to scale up PGS through private sector intervention.

What is the private sector? Shops, retailers, companies. Which private sector to engage with? Importance of social value of the private entities. Need to involve the private sector in the PGS process from the beginning of the activities.

- Developing a **traceability system**

Developing a traceability system in collaboration with the producer group can help to build trust in the PGS system and to valorize PGS production.

- **Educating the enterprises on social responsibility**, on the differences and the benefits of organic products to build trust between organic farmers and retailers.
- Supporting **communication between farmers**

Supporting more communication between farmers can help them working together, sharing experiences, sharing production means and getting more market power. It can be done through: Meetings of producers between themselves, meeting of producers group and private sector, engaging more with producer groups and cooperatives...

- Building **trust between retailers and farmers** (field visits, social media, forums...)
- Building **trust between private sector and consumers** (use of social media, field visit for retailers, fruit basket: gaining fidelity of the consumer and having regular income)
- Fostering **the cooperation among private sector actors**: creating a group of sellers to cooperate to support PGS production. For example, supplying together at the same shop allows to avoid the lack of products or surplus.
- Sharing / supporting **investment costs**

Role of the private sector for packing house is a key, but it requires important investment costs. Organic business at initial state have a very small margin and encounter difficulties to start. Community enterprise can be a solution to invest in warehouse, cooling system, logistic transport...

The government could also play a key role in supporting the infrastructure investment of such community enterprise.

- Ensuring **good contracts** between farmers and private sector. The contract is at the heart of both farmers and enterprises' economic health. Specific modalities of payment, or fixed price can help farmers at the beginning...
- Clarifying **the interest of the private sector** in getting involved and selling PGS products.

These are for example:

Social values: every dish contributes to social development / Care about people, care about farmers

Good image

PGS can help reducing field inspection work for private sector.

PGS are a guarantee of quality and a solution to avoid food safety scandals.

Local private sector (shops, small supermarkets) are well adapted to PGS with small Holder production because of their flexibility

PGS as a first step toward organic certification for the private sector involved in production sites.

Public sector

Recommendations for the public sector to scale up the adoption of PGS.

- **Platform** wherein government fosters diversity of PGS practices by private sector, producers and other stakeholders.
 - Stakeholders platform feed to platform by government. This could lead to sector working group where different stakeholders can participate and contribute.
- Propose to **Government Standards** that has minimum guideline to provide enabling environment yet have space and flexibility for practitioners to experiment PGS as approach and its principles within this guideline.
 - Option of allowing PGS-oriented groups to pilot PGS and their success and effectiveness opens the door for governmental consideration for supporting PGS through development of guideline WHILE keeping diversity of the process began by the stakeholders.
- Promote PGS through **awareness raising** for safe food in schools, hospitals / organic meals in public institutions
 - Awareness raising supported by the government because the government has budget. Can be through difference media (i.e. state-owned)
- Mechanism for **PGS brand protection**.
- Organic, PGS or other agriculture-based certifications are included as part of **national policy to meet SDG**.
 - Ex: attractive loan conditions toward promoting organic farming but collateral is through the PGS SG pledge. Understanding on how to implement these supportive policies could be developed during National governmental platform (See 1 above).

3- Conclusion: take-home messages

- **High diversity**, dynamism and richness of PGS initiatives in the Mekong region in terms of commodities, approaches and actors involved.
- Intense discussion on the **nature of PGS**: is it a standard or is it a process? It emerged from the debates that PGS should first be considered as a process that allows farmers to set up and control collectively the quality of their production. It can however bring benefits related to standards as premium price through trust building with consumers and private sector.
- Diverging views on the necessity for PGS **production to be organic**. PGS can be seen as a way to help farmers to progressively reduce their use of chemical inputs and can therefore cover GAP practices or 'safe food' standards. It can also help farmers to progressively move toward organic agriculture. But for other stakeholders, non-organic PGS can create confusion to the consumers and can be detrimental to trustful relationships between stakeholders.
- Participants emphasized on the **importance of the market demand** in the success of PGS initiatives. The local demand for organic / safe products should be assessed before launching any PGS group.
- The different stakeholders agreed on the necessity of **governments to recognize PGS** in the legal framework and to financially and technically support their development in each country. Several actors also evocated the need for the government to push for multi-stakeholders' platforms to network them in a PGS committee.
- However, the recognition of PGS by government should not be detrimental to the participatory approach that characterizes PGS. Several participants from Laos emphasized on the need to apply government guidelines on PGS at minima – in order to let PGS group draft their own standards adapted to their situation.