

Develop Participatory Guarantee System (PGS) A long Organic Product Chain



Why & How

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Concept of PGS

- Participatory Guarantee Systems (PGS) is quality assurance initiatives
- It operates outside the frame of third party certification
- It emphasize the participation of stakeholders, including producers and consumers
- It is for smallholder & relevant for local markets

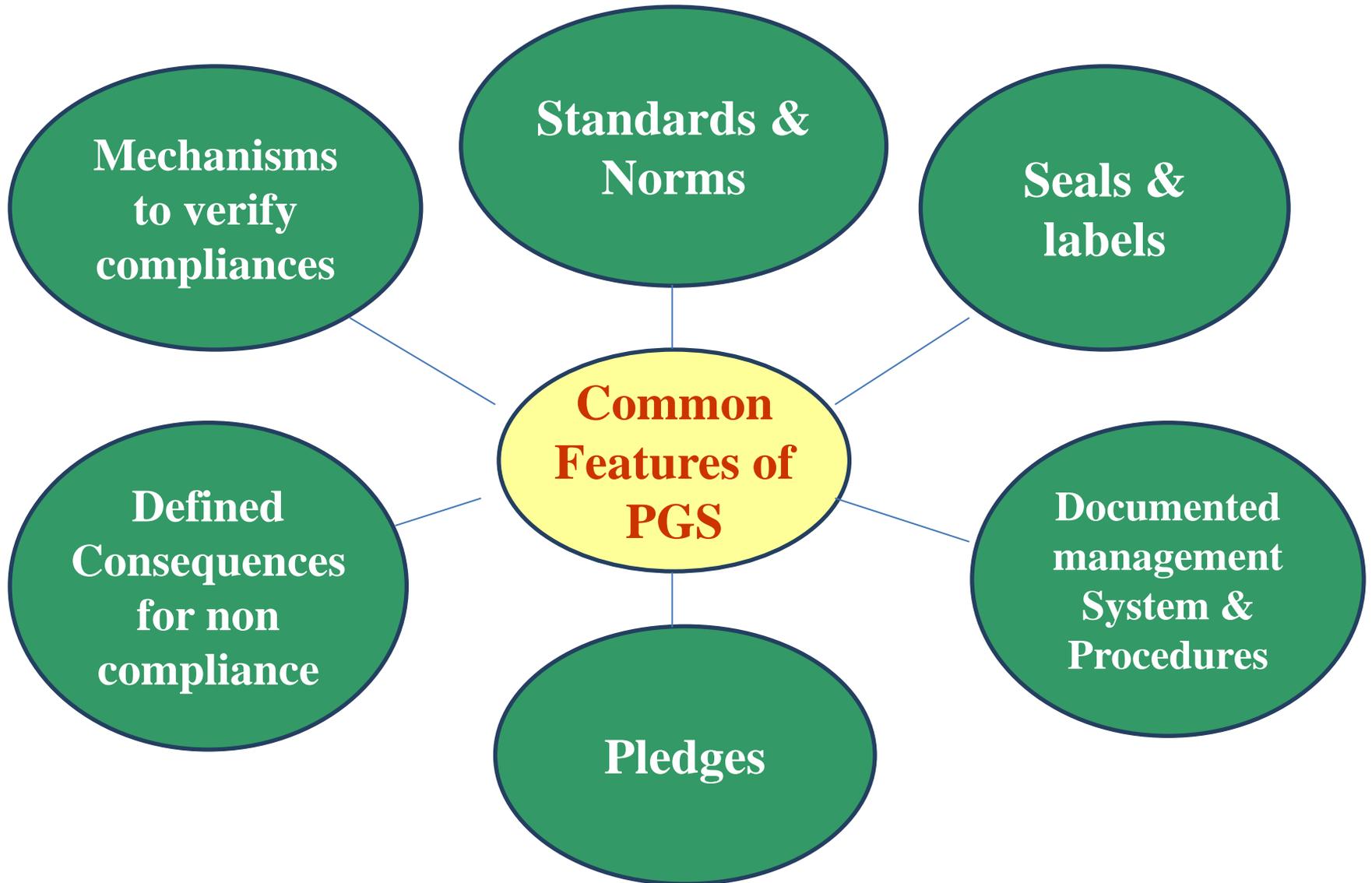


Why PGS in Vietnam

- Organic farmers have products need to access to market
- Consumers lose their trust in “clean/safe” products and lack knowledge of qualities organic products
- There was a national standards for organic production and processing (TCN10-2006) issued, but no regulation for applying
- PGS is adopted by IFOAM (2004) as a guarantee system for small holders to help farmers access organic products to local markets.
- Stakeholders agreed to set up PGS in 2008 for organic farmers under the ADDA prj (ADDA-VNFU prj 2005-2012)

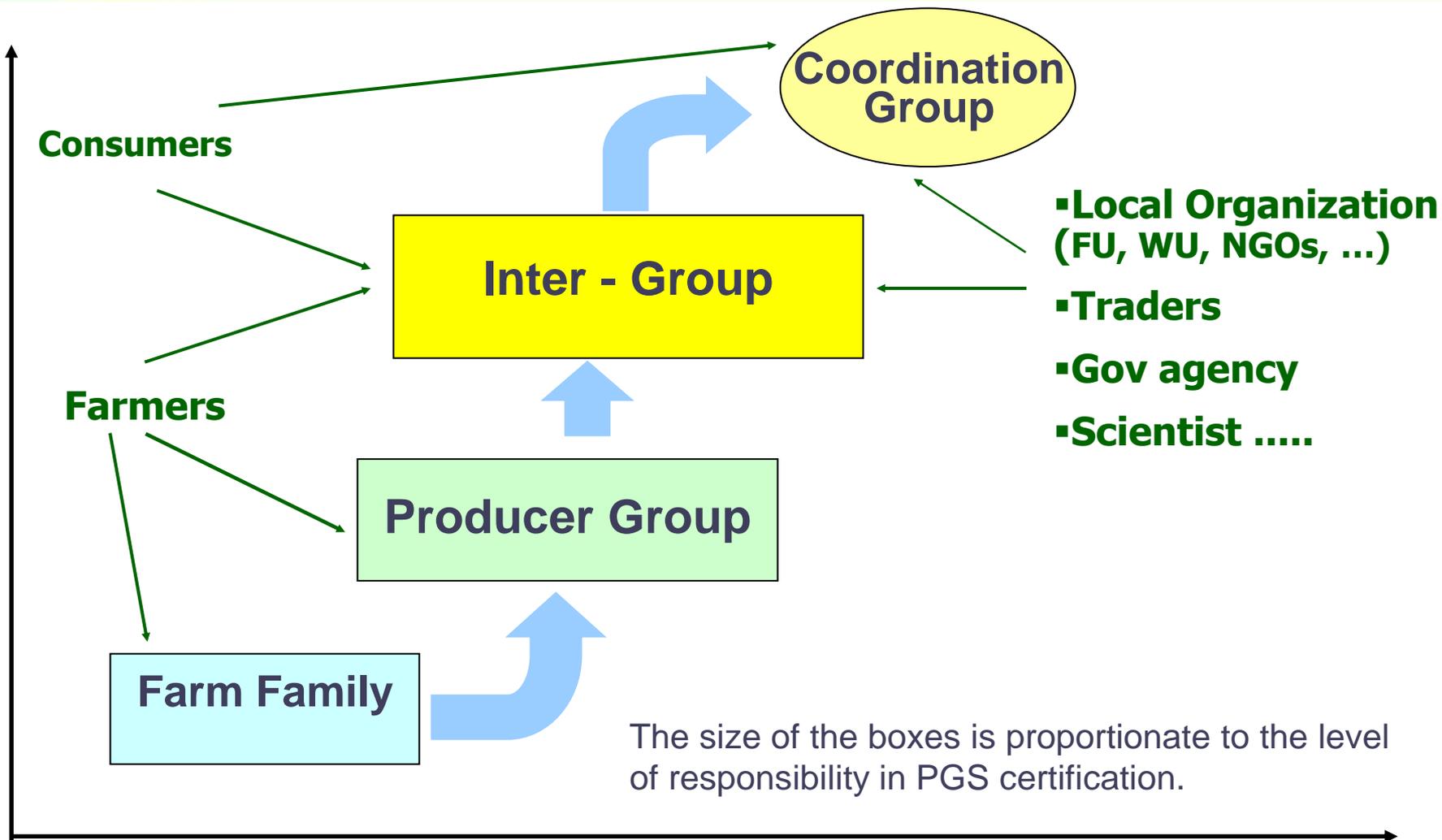


Features of PGS





Key elements of the PGS Vietnam





Organize supply chain with PGS

To create sustainable development for organic agriculture, organize a supply chain from production to consumption is essential. The actions include:



- ✓ All stakeholders are involved in realizing supply chain from production, post harvest, and sales
- ✓ Organic farmers are systematically organized in cooperative /association/groups
- ✓ Products of farmer need to be certified by PGS
- ✓ The PGS organic product chain to local markets need to managed



Develop a grass-root network

- Farmers join PGS voluntarily have to be trained organic farming and **organized in groups**
- At least 2 groups formed to create **Inter-group** at each area for a linkage between the local groups
- Structure of Inter-groups with participation of stakeholders include farmers, retailers, consumers...in the **functional teams**
- **A system** include action plan, regulations, check list, PGS manual, logo/seals ect...are developed
- **Traning** of inspection, leadership, accountant, planing, dealing and postharvest... are carried out
- Coordinate peer review process (mornitoring/ auditing)
- Take the decision on certification and send to PGS.CC
- Take action on fraud and non-compliance



Capacity Building of farmers

- Formation of farmer group with clear roles and responsibilities: (Production support, Quality Assurance & Accounting)
- Develop of a sustainable management systems include quality control (Inspector of Inputs, Field and Quality)
- Training and coaching farmer groups on the operating system:
 - ✓ Field mapping & coding
 - ✓ Production plan
 - ✓ Diary record
 - ✓ Inspection
 - ✓ Harvest management



Production & quality monitoring

- Farmers formed in groups must attend training and sign a pledge complying with PGS rules and standards
- Production is organized in a group on the concentrated area where there are good enough production conditions
- Production plan made with cooperates of trading company
- Farm recording for an overview and traceability of production
- Farmers are involved directly in monitoring, auditing and making decisions
- Daily check of farmers with random check of local network
- Non-compliance of an individual means the whole group has been dealt with.
- Peer review under coordination of local network (Inter-group)
- Ensure production complies with PGS standards



Products & Packaging

- Only farms are certified by PGS can sell products as organic
- Harvested products are checked by quality inspector and trading company staff
- a simple packing house with basic facilities for weighing, cleaning, sorting and packaging at production
- All harvests of members have to bring to a packing house (not allow bring home for handling)
- Every PGS certified organic vegetable package thus can be traced back to group who supplied
- A regulations and format for PGS packaging/labeling are agreed by farmers and retailers who are operating products from groups



Sale & Distribution

- Developed a chain to modern market but it defeated after one year run (
- Currently products mainly sell in special shop by retailers
- Sellers who make direct contract to farmer groups have to register PGS and pay fee to run PGS as duties
- With farmers and stakeholders develop PGS standards and regulations for retailers
- All certified PGS products must packaged and labeled from producer groups before delivery to shop
- Committee with PGS not only doing business but also support farmers and monitoring quality
- A market supervise team with 5 volunteers often visit shops where selling PGS products
- PGS operating a long supply chain to ensure quality from farm to table.



Marketing and Communication

- There was a marketing campaign with promotion materials when create a chain to BigC in 2010
- Since then, PGS give task to retailers for promote PGS products to there consumers as it has no more budget
- Retailers and Inter-groups often take chance to introduce PGS/products at fairs
- Retailers Organize tours of consumers/student /school for sharing and learning on organic farming



Figure of organic supply chain in Hanoi

- Growing interest in organic vegetable among consumers → Increase the volume of sale
 - 2009: 8 -10 tons/month with 7,6 ha of 11 FGs
 - 2012- 2013: 20 – 25 tons/month
 - 2014: 328 tons (27 tons/month)
 - 2015: 415 tons with 26,8 ha/41 FGs

- More retailers seeking organic products, register as PGS member and pay fee to run PGS
 - 2009: 4 retailers
 - 2013: 9 retailers with > 25 outlets
 - 2014: 12 retailers with 35 outlets in Hanoi city
 - 2015: 9 retailers with 45 outlets



Inspection activity of farmers





Field visit





PGS in Local Market



Weekend Market



Board sign to shop



Home delivery



Retail shop



PGS Organic vegetable in Bac Tom shop



RAU HỮU CƠ

Xx: Lương Sơn, Hòa Bình, VN
Thanh Xuân, Sóc Sơn, HN, VN



PGS in Agroviet fair 2014





Organize tour for consumers





Tour of pupils



Tour of kids

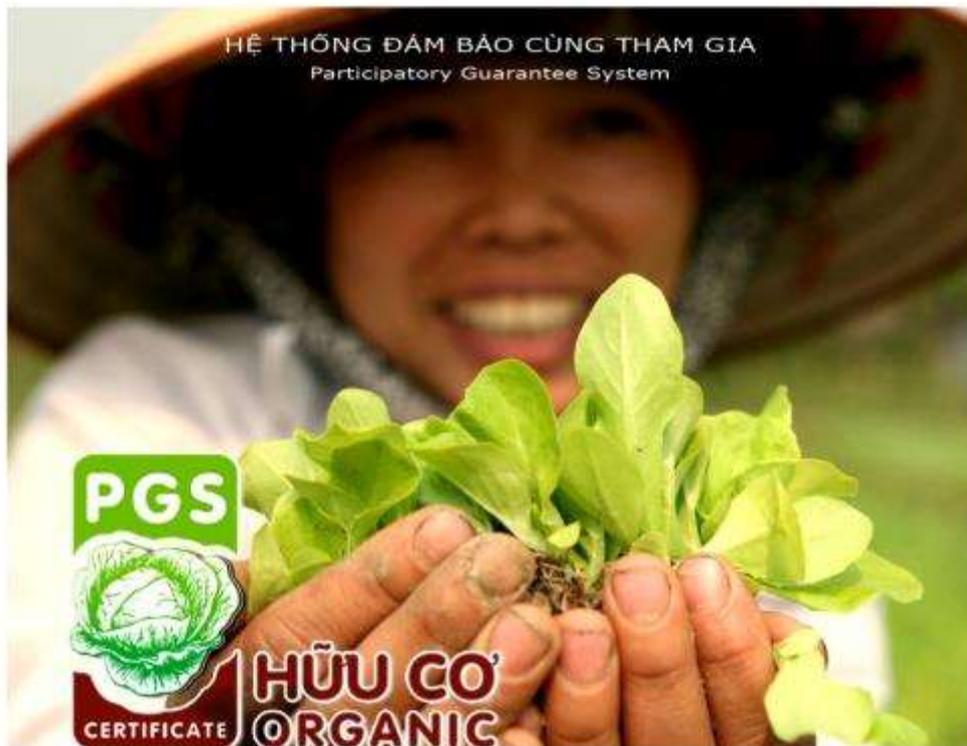




PGS Hoi An

A pilot of CASP II (IFOAM-ADB)





HỆ THỐNG ĐẢM BẢO CÙNG THAM GIA
Participatory Guarantee System

PGS - ĐẢM BẢO THỰC SỰ HỮU CƠ

ĐẢM BẢO NHỮNG SẢN PHẨM ĐƯỢC ĐƯA TỚI BỮA ĂN CỦA KHÁCH HÀNG THỰC SỰ LÀ SẢN PHẨM HỮU CƠ
HỆ THỐNG DUY NHẤT TẠI VIỆT NAM HIỆN NAY CHỨNG NHẬN CÁC SẢN PHẨM HỮU CƠ TẠI THỊ TRƯỜNG TRONG NƯỚC
ĐƯỢC XÂY DỰNG DỰA TRÊN SỰ TIN CẬY VÀ CÙNG THAM GIA KIỂM SOÁT CỦA TẤT CẢ CÁC BÊN LIÊN QUAN

Chi tiết về nhóm sản xuất được chứng nhận và các điểm bán xin vui lòng xem tại website

www.vietnamorganic.vn



**HỮU CÔ'
ORGANIC**



ĐẢNG CỘNG SẢN VIỆT NAM QUANG VINH MUÔN NĂM

Thank you!

