 CERES	3-2-5-2_EN Inf	Brief Introduction to Group Certification	v 17.01.2025	1/3
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Brief Introduction to Requirements for Organic Group Certification

according to the European Regulation (EU) 2018/848, NOP and JAS

Group certification:

- ❖ Is a necessary tool to allow smallholders access to organic markets
- ❖ Requests a high level of commitment and knowledge by the organisation or certificate holder
- ❖ Is possible for crop production, animal husbandry, or beekeeping.

Normative framework:

- ✓ With new Regulation (EU) 2018/848 (Art. 36) a concept of “group of operators” was introduced and defined, and rules were established that reflect the needs and resource capacity of small farmers and operators.
- ✓ In January 2023, the USDA published the Strengthening Organic Enforcement (SOE) Final Rule, which aims to improve the oversight of organic agricultural products in the United States. This rule officially went into effect on 19 March 2024, bringing significant changes to the organic industry and its compliance requirements. This SOE final rule addresses the 2002 and 2008 NOSB recommendations on producer group certification, now requiring specific criteria for group certification and adding details on documentation requirements and inspection methods (205.400 (g)).
- ✓ CERES has been informed by the Japanese Ministry of Agriculture (MAFF) that group certification is allowed for organic grower groups according to **JAS**.
- ✓ The International Federation of Organic Agriculture Movements (**IFOAM**) published a set of normative and training documents.

What are smallholders:


- ✓ (EU definition) Farmers of which the individual certification cost represents more than 2% of their annual turnover or standard output of organic production and whose annual turnover of organic production is not more than 25.000 EUR or whose standard output of organic production is not more than 15.000 EUR per year; or farmers who have each holdings of maximum:
 - five hectares
 - 0,5 hectares, in case of greenhouses, or
 - 15 hectares, exclusively in the case of permanent grassland

What is a producer group:

- ✓ Producer groups can be **cooperatives**, associations, or similar organisations. The certificate holder must be a legal entity.
- ✓ The maximum size of a group of operators shall be 2.000 members (EU Reg.).
- ✓ Producer groups must be located within the **same geographical region**, have the same kind of product, similar production systems and record keeping. The SOE Final rule insists on a common input supply, if off-farm inputs are used.
- ✓ A producer group needs an internal training program, so that all members understand properly the rules of organic production. Regular meetings must be held.
- ✓ If the group is spread over a large region or has more than 2.000 members, it must be **subdivided** in smaller groups.
- ✓ Group certification makes sense only for groups of **10 or more members**; nevertheless, also smaller groups should feel encouraged to set up their own internal control system, independently from the percentage of external control by the certifier.
- ✓ A member shall register only for one group for a given product.

Internal control:

- ✓ The group signs **contracts/membership agreements** with all members.

 CERES	3-2-5-2_EN Inf	Brief Introduction to Group Certification	v 17.01.2025	2/3
--	----------------	---	--------------	-----

- ✓ All members must be **registered** with their basic farm information, including any non-certified crops.
- ✓ As a basic requirement, **all producers** must be controlled at least once per year by the **internal inspectors**.
- ✓ Internal inspectors must be adequately **prepared** for performing their job.
- ✓ **Conflicts of interest** must be avoided when selecting internal inspectors; they must neither inspect their relatives nor in their own village.
- ✓ Internal inspections must be documented through **reports**, signed by the producer and the inspector; these reports must be properly filed.
- ✓ Internal inspectors must dedicate enough **time** to each inspection.
- ✓ Reports must describe all relevant features of the operation
- ✓ **Non-conformities** must be recorded and followed up
- ✓ An updated **grower list** must be kept, including all relevant information (names, village, farm size, yield estimate, produced quantity dates of internal inspections, status of each farmer, language spoken by producers that do not speak the official language, etc.).

Internal regulation and approval:

- ✓ The group must have an **internal regulation**, a set of documents, including, among others, corrective actions and sanctions for non-conformities.
- ✓ The internal regulation must be written in a local language which is understandable for all group members.
- ✓ Results of internal control must be **reviewed** and summarized in the organic management plan; non-conformities must be reported to the certification body.
- ✓ An internal **approval body / ICS Management** must evaluate the reports, supervise the inspectors, (pre)approve growers, and give follow-up to the implementation of corrective measures.


External control:

- ✓ The following rules on minimum percentages shall apply to the official controls according to the risk of non-compliance:
Minimum of 5% of the operators that are members of the group of operators, but not less than 10 members, shall be subject to re-inspection every year. Where the group of operators has 10 members or less, all members shall be controlled in connection with the verification of compliance referred to in Art. 38 (3) of Reg. (EU) 848/2018.
The minimum of 5% re-inspections apply to groups of operators whose risk category based on the operator risk assessment (2-1-7-2) is low and medium. For High-Risk Groups of Operators, this sample increases by 1% to 6% re-inspections.
- ✓ The sample for external evaluation must, of course, be **representative** for the whole group.
- ✓ Minimum 2 % of the members of each group of operators shall be subject to sampling in accordance with Article 14(h) of Regulation (EU) 2017/625 every year.
- ✓ **NOP (SOE):** The sampling rates that certifying agents must use when inspecting producer groups are 1.4 times the square root or 2% of the total number of producer group members, whichever is greater. The proposed inspection rate of 1.4 times the number of members is a digressive rate that samples a smaller percentage of members as a group grows. Combined with a linear sampling rate of 2%, this ensures that larger producer groups (those with more than 5,000 members) are inspected at a similar rate to smaller groups.

Records:

In addition to the ICS records mentioned above:

- ✓ The group must present a detailed organic **management plan**.
- ✓ Farmers must keep a minimum of records; in case of illiteracy the records kept by the ICS can be regarded as a substitute for records kept at the farm level (provided they contain the necessary details).

	3-2-5-2_EN Inf	Brief Introduction to Group Certification	v 17.01.2025	3/3
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- ✓ Records on **purchased, stored, processed, and sold quantities** must be kept at each step, from the producer to export or final sale.
- ✓ Besides, **JAS** requires "**grading**" records. The internal inspections are part of the grading system, but besides that, before selling products with the JAS logo, the grading manager must check for each individual batch, whether it complies with the JAS standard.

Certification:

- ✓ The group can **only be certified if the ICS works properly**; this includes, among others, that internal inspectors must detect non-conformities, and the approval body must react properly and follow up on corrective actions. The group must be aware that severe infringements by one member can put at risk the whole group's certification.
- ✓ **New producers** can be included in the organic farmers list only after final approval, respectively certification by the certifier.

Useful questions to self-evaluate your ICS

- ✓ Does my system **supervise the product flow**, so that possible purchase of non-certified product by purchase points or truck drivers, is easily detected and recorded?
- ✓ Do the responsible persons have updated producer lists with realistic production estimates?
- ✓ Is there a supervision of the purchase points and the truck drivers, who collect products?
- ✓ Does my system detect **memberships** of smallholders in multiple groups?
- ✓ Does my system detect **over delivery** by smallholders and investigate the reasons through additional visits?
- ✓ Does my system **identify risks** at individual smallholders and take the necessary **measures** to address those risks (e.g. additional unannounced visits, sampling)?
- ✓ Do the **internal inspectors** know and consider the **main risks** of non-compliance during their inspections: use of chemicals, mixing with non-certified product?
- ✓ Are our methods and **procedures to detect possible non-compliances** sufficient: visit all plots and housings, proper production estimates by inspectors, additional inspections, sampling?
- ✓ Does my system detect poor performance of internal inspectors?
- ✓ Does my system have procedures to frequently **train and supervise internal inspectors** (e.g. witness audits by supervisor, inspectors evaluating the work of the previous inspector)?



Please be aware that this is only a selection of essential requirements of the organic standards, meant as an introduction. The operator, of course, must learn about and meet all requirements of the respective standard.