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UNEP-UNCTAD Capacity Building Task Force CBTF Workshop for the Caribbean Countries

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Summary



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What are we going to talk about ? Part A

- **Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS**
- 1) What is BIO, ORGANIC, ECO etc?
- 2) Why do I want to produce and export under this label?
- 3) What are my advantages for a) the local market and b) the international market?
- 4) What obstacles do I face when certifying my product(s)?
- 5) How can I successfully overcome these obstacles?
- 6) Where is my strength?
- 7) What is my weakness?

Successfully certified! Where do I go from here?

Summary



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What are we going to talk about ? Part B

- **LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS THAT LOOK GOOD, TASTE GOOD AND ARE WELL PRESENTED**
- 1) What does my certification guarantee?
- 2) What are the limitations?
- 3) What do I want?
- 4) How can I achieve this goal?
- 5) My crop check list
- 6) My export check list
- 7) My marketing and sales list
- 8) My certification guarantee

Summary



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What are we going to talk about ? Part C

- **LAST NOT LEAST**
- 1) What is my ultimate goal?
- 2) What do I have to keep in mind?
- 3) What is my most important ingredient for success?
- 4) What are my benefits?
- 5) YES, it is worth the effort!

but... there is no easy way to success - only one ingredient guarantees a profitable export venture, BIO or not!

Part A



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Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

- **Organic Certification**
- **Fair Trade**
- **EUREPGAP**
- **Bird Friendly (Smithsonian Institute)**

Part A



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Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Organic Certification

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Organic

definition:

All agricultural systems that promote the environmentally, socially and economically sound production of food and fibres

Soil fertility as a key to successful production

Respecting the natural capacity of plants, animals and the landscape

Optimising quality in all aspects of agriculture and the environment

No chemo-synthetic fertilizers, pesticides, and pharmaceuticals

Increasing both agricultural yields and disease resistance through the powerful laws of nature

objectives...

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Organic

objectives:

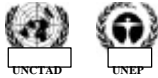
improving soil fertility and quality

enhancing biodiversity on the farm, in both time and space.

NO Synthetic fertilizers and pesticides

These aims are integrated with the farmer's primary objective of operating a viable farm.

Part A



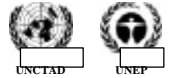
Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Organic

transition period : 0 -3 years (no 0 transition for GB anymore)

label : Yes, indicating clearly the master certificate number on each box identifying also the CB.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Organic

There are three types of external costs borne by the grower:

- 1) Certification Fees charged by the independent certification body, the CB: Certification fees of CBs are free market prices and not fixed.
- 2) Annual Renewal fees of initial certification (a new inspection is required each year).
- 3) The certification license fee (of around US\$ 40.00) per each completed inspection / charged at each shipment/export.

All above mentioned fees are charged through the CB.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Fair Trade

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Fair Trade

definition:

The concept of Fair trade emerged some 40 years ago through alternative trade organizations offering to consumers in developed countries products, purchased directly from small producers in developing countries through niche outlets, such as world shops and catalogues.

In the mid-1980s, the importance of bringing Fair trade products into the mainstream outlets, particularly supermarkets, became clear.

Today there are 17 Fair trade labelling organizations that included initiatives in 14 European countries, plus USA and Japan. In 2003 there are 360 Fair trade certified producer groups (including many umbrella bodies), representing 550,000 small scale producers in 40 countries.

objectives ...

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Fair Trade

objectives:

- a price that covers the cost of sustainable production
- a social premium for development purposes
- partial payment in advance to avoid small producer organizations falling into debt
- contracts that allow long term production planning;
- long term trade relations that allow proper planning and sustainable production practices

Part A



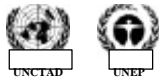
Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Fair Trade

objectives:

- fair production conditions, including:
for small farmers' co-operatives a democratic, participative structure;
- for plantations/factories the workers** should have:
 - a) decent wages (at least the legal minimum);
 - b) good housing, where appropriate;
 - c) minimum health and safety standards;
 - d) the right to join trade unions;
 - e) no child or forced labour; minimum environmental requirements.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Fair trade

transition period : none

label : yes, the Fair trade label

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Fair trade

There are two types of external costs borne by the grower:

- 1) Certification Fees charged by the independent certification body, the CB: Certification fees of CBs are free market prices and not fixed.
- 2) Annual Renewal fees.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

EUREPGAP

objectives:



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ EUREPGAP

definition:



EUREPGAP started in 1997 as an initiative of retailers belonging to the **Euro-Retailer Produce Working Group (EUREP)**. The aim was to agree on standards and procedures for development of **good agricultural practice (GAP)**.

EUREPGAP is a set of normative documents suitable to be accredited to international certification laws. Rep's from around the globe and all stages of the food chain have been involved in the development of these documents and it has produced a very robust, very challenging protocol which focuses the producer on the key issues that need to be addressed during the pre-farm gate stage. **EUREPGAP** members include retailers, suppliers/growers and associate members from the input and service side of agriculture.

objectives...

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ EUREPGAP

objectives:

1- reassure consumers, principally on issues of food safety following food safety scares with BSE (mad cow's disease) and the rapid introduction of GM foods.

Consumers generally throughout the whole of Europe and other parts of the world are asking how food is produced; they don't really understand all the techniques employed in modern agriculture and need assurance that it is safe.



Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ EUREPGAP

objectives:

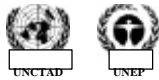
2- Major corporations and multinational supply bases increasingly have to impress their investors.

If a particular business is sourcing product in a way that is perhaps degrading the environment or doesn't pay due respect to occupational health and safety issues then there is increased risk and less likelihood of attracting investors.

3- The third key driver is that EUREPGAP is focused on good agricultural practice and based on HACCP (HAZARD ANALYSIS CRITICAL CONTROL POINT) principles, dealing also with the interface areas of packaging on the farm and transport from the farm to the processor.



Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

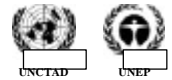
□ EUREPGAP

reduce the risks of food safety lapses in agricultural production

objectively verify best practice

provide a forum for continuous improvement

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ EUREPGAP

Environment protection and worker welfare versus degrading the environment or disrespecting workers.

EUREPGAP is an industry initiative focused on business-to-business rather than consumer orientated.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ EUREPGAP

transition period : none

label : no

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ EUREPGAP

There are three types of external costs borne by the grower:

- 1) Certification Fees charged by the independent certification body, the CB: Certification fees of CBs are free market prices and not fixed.
- 2) Annual Renewal fees of initial certification.
- 3) The certification license fee (of around US\$ 45.00) per each completed inspection / charged at each shipment/export.

All above mentioned fees are charged through the CB.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Bird Friendly (Smithsonian Institute)

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Bird Friendly



definition:

Simply put, "Bird Friendly®" coffee is coffee that provide good, forest-like habitat for birds. Rather than being grown on land that has been cleared of all other vegetation, "Bird Friendly®" coffees are planted under a canopy of trees and are called shade-grown. Not only are "Bird Friendly®" coffees shade-grown, they are also organic.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Bird Friendly

objectives:

"Bird Friendly®" coffees are shade-grown and organic. Cutting down the canopy trees and growing coffee plants under full sun, provide little or no bird habitat and pollute the environment because they require large amounts of chemical pesticides and fertilizers.



Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Bird Friendly



"Bird Friendly®" coffees are the only coffees on the market that are certified as shade-grown and organic by an independent third-party inspector, the CB.

Companies that sell "Bird Friendly®" coffees contribute 25 cents per pound to support Smithsonian Migratory Bird Center research and conservation programs.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Bird Friendly

transition period : 0 - 3 years (ref. Organic)
label : ref. organic + bird friendly

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

□ Bird Friendly



There are three types of external costs borne by the grower:

- 1) Certification Fees (organic as well as bird friendly) are charged by the independent certification body, the CB: Certification fees of CBs are free market prices and not fixed.
- 2) Annual Renewal fees of initial certification.
- 3) The certification license fee (of around US\$ 40.00) per each completed inspection / charged at each shipment/export.

All above mentioned fees are charged through the CB.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Why do I want to produce and export under these labels?

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Why do I want to produce and export under these labels?

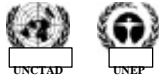
Opportunity of diversification

Move towards more value

Environmental and development gains

Economical and social advantages

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Why do I want to produce and export under this label?

Environmental quality is increasingly becoming an integral part of product quality. It becomes a condition for doing business rather than a justification for price premiums.

but

Reduced environmental impact should not compromise product quality - the two should go hand in hand;

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

What are my advantages for a) the local market and b) the international market?

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

a) the local market

ABOVE ALL

TO DEVELOP NATIONAL STANDARDS

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

a) the local market

1. Income effects:
 - Reduced on external inputs expenditures; Saleability of product; Price premiums.
2. Environmental and health effects:
 - Enhanced bio-diversity (due to crop rotations and non-use of synthetic pesticides);
 - Reduced nutrient leakage (that can threaten drinking water, lakes, rivers and the sea); Reduced soil erosion; Reduced water consumption; Long-term maintenance of soil fertility; Safer working conditions for farmers; Reduced food contamination by pesticides.
3. Social effects:
 - Rural employment generation (labour-intensive practices); Improved household nutrition and local food security; Higher self-reliance; Lower urban migration.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

b) the international market?

USA (Oct 2002 / 1999)

EUROPE

JAPAN

The main markets for organic products are Northern and Western Europe, the United States and Japan

Part A

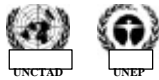


Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

What obstacles do I face when certifying my product(s)?

- lack of knowledge regarding the certification process as well as the agricultural practices used in growing organically
- availability of an accredited Certification Body CB
 - increased paperwork
 - supervision and scrutiny
- discipline on farming, harvesting and exporting and...additional cost

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

How can I successfully overcome these obstacles?

additional cost:

to reduce the cost of certification you can:

- **Seek assistance from donors**, as well as cost-sharing with developed country partners.
- **Train local inspectors** and other personnel working for international certification bodies operating in developing countries.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

How can I successfully overcome these obstacles?

additional cost:

- **Development of a national certification system**, with the assistance bilateral/multilateral donors, as well as government support;
- **Seek international accreditation** of national certification bodies;
- **Negotiate equivalency agreements**, including, for example, recognition under EU Regulation 2092/91 on organic products.
- **Group certification**;
Explore regional cooperation.

Part A



Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

How can I successfully overcome these obstacles?

INFORMATION - EDUCATION - COMMUNICATION

I E C

PANDAN PERYOD REKOT LA

REKOLTE PA BONGKAR : NAN PERTYO RENOT LA
TANZANTAN PASE KEVI GRENW KI MI YO NAN JASER AI
REKOLTE JUC WENSI : PA DEGRENNEN BRANCH YO
PA RIFE YO.



REKOLTE JUC WENSI : PA DEGRENNEN BRANCH YO
PA RIFE YO.

DEGA ESKOLIT LA



ESKOLIT LA HOS
5- GRENW NI PORO REN YO TENNE.
3- KALITTE KAFE OU ESKOLTE AN EMBIYE JEMPI.
3- HAFE OU REKOLTE A PA FE FFI, LAKGE NENE
KALITE KAFE A.

HIJAN ESKOLIT LA DEPLASE

SE HOUN KI FOYE ESKOLIT LA
LST HOS, LE YAP TRESOPOTE
KOPS, LE YAP KEVI KAFE, LE YAP
PASE NAN
ANEN KAFE
YO EFA...



ESKOLIT LA ALEZ YON KORE,
JASER KI PA TATE, PA EMOHDE,
PLANTR KI PA REKOT VO BTE...
LE PAF VOLA PAF, LE PTO KETE PE

YON JONTOY VIDE PANYE REKOT LA OMR HOSAN
NAN SAK PLASTIK KI BYEN FENYEA,
NEFE TOYF GRENW NAN DENYE PASAJ REKOLT LA,
HOS YON ESKOLIT KI REFE SON PTE HOS YO,
KIT YO HOS. VET OU HOS.

Quality Standard Guide
Yanm

Mango Fich Kalite #2 Aprè rekòlt

Mango rekòlte lwa, Mango rekòlte lwa, Mango wout, Mango pwa par, Mango rok, Mango twò ki, Mango rejè

Box Mango

Yanm

Annou fè plis lajan ak kakawo nou

Atansyon danje!!!
Fok nou konbat eskòli, prese prese

Mango Fich Kalite #1
Sou rekòlt ak apre rekòlt

bagay, bagay, Mango gwo, Mango rejè, Mango rejè, Mango grè

Box Mango

Part A

Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Where is my strength?

- exotic products
- proximity to the USA and Europe
- increasing interest in these developed countries for
 - chemically free products
 - safe, traceable supply chains
 - that protect the environment
 - help the growers and planter
 - are economically just / fair
- niche markets that become market trends
- help from NGO's, distribution chains... governments

Part A

Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

What is my weakness?

- poor infrastructure
- limited research
- limited access to credit
- conversion period
- lack of knowledge of the consumer's need and consumer's requirements
- lack of know how
- absence of strict quality control
- "laisser-faire"

importance of organic fresh fruit and vegetables

market saturation and tough competition

uncertain future for organic market shares

Part A

Environmentally preferred products EPP's AND THEIR CERTIFICATION PROCESS

Successfully certified!

Where do I go from here?

Part A



Environmentally preferred products EPP's
AND THEIR CERTIFICATION PROCESS

to my choice market
USA - Europe - Japan

Marketing
Sales
BioFach

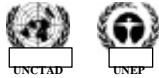
Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND
THE IMPORTANCE OF QUALITY PRODUCTS that look
good, taste good and are well presented.

What does my certification guarantees?

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND
THE IMPORTANCE OF QUALITY PRODUCTS that look
good, taste good and are well presented.

Just what has been certified

What are the limitations?

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND
THE IMPORTANCE OF QUALITY PRODUCTS that look
good, taste good and are well presented.

What do I want ?

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND
THE IMPORTANCE OF QUALITY PRODUCTS that look
good, taste good and are well presented.

export my organically certified products successfully
and...

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND
THE IMPORTANCE OF QUALITY PRODUCTS that look
good, taste good and are well presented.

... make money

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

How can I achieve this goal?

Part B



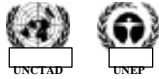
LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

How can I achieve this goal?
prevention is better than healing

pre planting :taking good care of the soil
pre harvest : trying to eliminate the problems
harvest: with care
post harvest: control
shipping: know how
selling: good and reliable contacts the more direct the better

and never forget Murphy's law

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

My crop check list/ example mango

ideal soil conditions: research, calcium, minerals, ideal balance
(Ca 68%, Mg 12%, K 5-7.5%, Na > 0.5 < 2.0%, H 10%, Micronutrients 5%)

Are my trees healthy, do they have enough space
(absence of disease, need to defoliate, compost tea etc ...)

water

variety
(long, medium, short fiber)

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

My harvest and post harvest check list/ example mango

trained workers to harvest, transport and pack
(pack in pack house or site? fair salaries)
good selection of size and ripeness and quality
(stage 3, early 4 / anthracnose, stem rot etc ...)
pre cooling
(no interruption of cooling chain from harvest to boat: 12-14 C)
cleaning
(drinking water)
catalyst to scrub ethylene from the air (cold store)

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

My export check list/ example mango

palletizing
(airy, firm, well stacked)
identification
(size, weight, variety)
CERTIFICATES : ORGANIC, PHYTO SANITARIAN
Ryan recorder
(temperature 12-14C)
shortest distance
(to the destination)
remove as much as possible the ethylene
(mesh pillows filled with potassium permanganate placed in front of the container fans filled with)
quality control and quality certificate when boarding and unloading at destination

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

My marketing and sales check list

presentation to:

the importer
the distributor
the retailer (supermarket chain, food store, outlets)
the end consumer
boxes, packaging, stories behind, the product (for example : La Selva), Sales point material
Advertising
Public Relations
Sampling
Promotions

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

My marketing and sales check list

It is not difficult to make sales
The challenge remains to satisfy the customer

there are excellent opportunities for good, tasty
and well presented products

the key to success ?

QUALITY, QUALITY AND AGAIN QUALITY

Part B

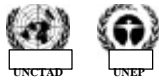


LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

HACCP

Hazard Analysis Critical Control Point

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

HACCP

Hazard Analysis Critical Control Point

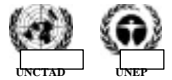
forms that can help to manage:

- your farm / crop
- harvest
- pack house
- shipping

forms that can help to manage:

- your direct client (importer), as well as their clients (distributor, retailer, end consumer)

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

HACCP

Hazard Analysis Critical Control Point

- HACCP Supplier Approval - organically approved Crop Protection Agents
- Pack house Audit and Audit Action Points
- HACCP Supplier Approval - Post Harvest Declaration
- HACCP Supplier Approval - Trace Code Description
- HACCP Supplier Approval - Organic Produce Supplier Undertaking

don't forget

payment agreement with guarantees - if possible (letter of credit ?)

Part B



LIMITATIONS OF ORGANIC CERTIFICATION AND THE IMPORTANCE OF QUALITY PRODUCTS that look good, taste good and are well presented.

My certification guarantee

15 - 25% more than the current world market price

when saturation, the goods can still be sold conventionally

Part C



LAST NOT LEAST

What is my ultimate goal?

- TO KNOW WHAT I HAVE
- TO KNOW WHAT THE END CONSUMER WANTS
- TO EXPORT QUALITY

Part C



LAST NOT LEAST

- What do I have to keep in mind?

although studies show clear preferences for EPP's, when it comes to buying, consumers do not always do what they are expected to do.

Why:

- unavailability of the product
- higher price
- looks
- mistrust
- lack of information and knowledge
- no top-of-the-mind approach

Part C

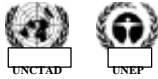


LAST NOT LEAST

- What do I have to keep in mind?

What do I have already
Is there a market for it ?
Shall I be competitive ?
Let me get the additional value !
Diversification

Part C



LAST NOT LEAST

What is my most important ingredient for success?

Part C



LAST NOT LEAST

What is my most important ingredient for success?

QUALITY

Part C



LAST NOT LEAST

What are my benefits?

**COMPETITIVENESS
GARANTEED INCOME
BETTER ENVIRONMENT
A FUTURE FOR ME, MY FAMILY AN MY
COUNTRY**

Part C



LAST NOT LEAST

YES, it is worth the effort!

Part C



UNCTAD



UNEP

LAST NOT LEAST

**but... there is no easy way to
success - only quality
guarantees a profitable export
venture,**

ORGANIC or not!