

Private standards: a personal perspective from a training service provider

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Henry Wainwright and Louise Labuschagne jointly run and own their own company: The Real IPM Company (K) Ltd, P O Box 4001, Madaraka, Thika – 01002, Kenya www.realipm.com The Real IPM Company employs about 70 people. It primarily focuses on crop protection and options for pesticide reduction and it undertakes training and consultancy for others as well as producing and promoting the use of biocontrol agents, mainly in the horticultural sector.

The Real IPM Company (K) Ltd is an associate member of GlobalGAP (formerly EurepGAP) and has four registered trainers with GlobalGAP. As a company based in Kenya we undertake training in support of GlobalGAP with particular reference to:

- enabling companies to comply with the required criteria and checklists (e.g. training in the safe use of pesticides, field hygiene, Integrated Pest Management);
- training company staff in the GlobalGAP principles and practice; and
- internal audit training.

Real IPM has extensive knowledge and experience of training and no involvement with certification or with any organisations that undertake this private standards' function. Thus this opinion paper aims to provide a personal view on the impacts and conditions for success of private standards. The opinion expressed is purely made from field experience and training implementation and is not the result of a systematic scientific study.



Real IPM rose scouting

Failure of smallholders to join and comply with standards is often the consequence of a lack of discipline from producers

Private standards like GlobalGAP are demanding on the producers. These demands can take the form of management time, the need for systematic organisation, preparation, system maintenance, increased time for staff training, development and maintenance of recording systems, development and financing of infrastructure, as well as still managing to produce a crop on time and at the right quality. Issues raised by the producers, especially when entering a private standard for the first time are often related to the complexity and worthlessness of bureaucracy. Yet many producers come back for a re-audit the next year, and negative opinions do decrease as benefits are seen and appreciated.

For the successful smallholder group we see that they have a regular outlet, which is stable in both quantity and price. Many of these grower groups existed before private standards were developed, but these groups adopted private standards as part of their business evolution. However the success of any producer group lies in its organisation and discipline, which will enable the group to function as a single entity. In our experience failure of a group to maintain a private standard is the failure of the group to function as a cohesive unit rather than due to the demands of the standard. However what constitutes a successful group is complex, and can not be simply related to physical characteristics like group size, location, etc. Groups can be formed by like-minded individuals, However those that form spontaneously without any commonality will be limited. Groups need to be nurtured and supported, and

this is a prime task of the exporter. The role of the exporter in maintaining the integrity of a group is quite critical in our experience.

Exclusion of producers from the export market by not being able to meet standards is a reality. However those who have been excluded are likely to be inconsistent producers who come and go from the market, often through a middleman. The negative opinions of middlemen (did not turn up to collect the crop, offered a very low price, only came when they were short of crops, etc) have been replaced by the claim that private standards are excluding the small-scale producer from the market. Those that complain about middlemen are often those who complain about private standards.

The impact of private standards on quality is dramatic

For example, when we undertake training on pesticide use and safety in the export horticultural sector compared to the coffee sector, the coffee sector has had little exposure to private standards and is much less aware of pesticide safety. However up-and-coming coffee standards like Utz Kafe have the potential to change this. Farm practices have changed for the better in the horticultural sector as a result of private standards. In the African context this was never achieved by legislation.

Single units have advantages over smallholder producer group

Another impact of private standards appears rather contradictory. First we have seen the rise of well organised and managed smallholder outgrower groups, loyal to an exporter and disciplined in their activities. However the numbers of these types of group are limited. To meet demand for produce, exporters have moved towards large-scale outgrowers with ten to 40 hectares (ha) production units. The argument for this development is that the exporter's resources and inputs needed to manage a single unit of 20 ha is less than for a smallholder group of the same production potential. Also the exporter has more control of production such as the pesticides used, and the risk of illegal maximum residual levels (MRL) can be minimised. However the smallholder group cost of production is often lower than the large outgrower unit. It certainly has a position in the production of export crops, and by understanding what makes a successful group is a key component for the further expansion of groups.

Key lessons to foster smallholder's inclusion

Group organisation - For smallholders to remain in the export industry, group organisation and discipline is essential. Further success might be achieved if there was better understanding on how to make a successful group and what support a group could be given to enable them to function effectively. This requires education and development of self-help skills, for instance the role of the group committee and the development of trust within the group.

Exporter - The exporter is a key component to implement a private standard and to transfer the knowledge and technological development to the small-scale producer. Underestimation of their function will reduce the position of the small-scale producer in the export industry. Whilst the exporter must be able to choose their suppliers, private standards might be adapted to encourage working with smallholder groups such as through the social welfare component of a standard.

Donor involvement - Numerous donor interventions have been undertaken to support small-scale producers, which have been very well meaning. From our experience of their results there is remarkably little consensus on the best approach and how future interventions should be made. The role of donor support needs more careful comparative review and harmonised action plans that leaves behind a sustainable industry.

Generic tools - Training and skill development is a key component of implementing private standards. Rather than donors paying for more training and certification, the production of generic tools (adaptable documentation) that is more widely available (downloadable on the internet) is potentially more valuable. The work by GTZ on their generic quality manual is potentially transferable and a valuable asset for others.

Comparability - The small-scale producers can and have met standards and from our first hand experience often to a higher standard than producer units in Europe! Therefore the challenge is to find ways to expand this best practice. Meticulously managed pesticide stores are regularly seen on very small shambas (farms) that comply with a private standard.

Implications for sustainable livelihood improvements among smallholders

Private standards will not go away. Therefore the solution is evolution and adaptation of standards rather than demanding their abolishment. Firstly the adoption of a standard is a difficult process for any producer wherever they are. The British farmer was one of the first to have difficulties. However this should not breed complacency about the impact private standards might have on the small-scale producer in Africa. Therefore as standards are revised the impact these will have on resource poor farmers is essential to know. Efforts to consult about the impact private standards are having on African producers is noticeably increasing and should continue.

GlobalGAP is the most widespread private standard but the role of other socially responsible standards like Fair Trade might have a greater benefit to Africa. Therefore in the future Africa might have its own corporate social responsible standard to primarily benefit Africa rather than retailers in Europe.