

Name of PGS initiative: Certified Naturally Grown (CNG)



Location: USA and Canada

Production method: Organic (additional core values: local and direct marketing, small-scale farmers, sustainability goals)

Number of producers involved: More than 750 farmers and beekeepers (majority in the USA)

Number of eaters involved: Data not available

Type of products: Fruits, vegetables, flowers, herbs, microgreens, hemp, grains, meat, eggs, mushrooms, nursery plants, maple syrup, Christmas trees, honey.

Type of market: The majority of produce is sold through direct marketing. Most farmers sell at farmers markets or through CSAs, some sell through local, independent grocers.

Starting date: 2002

Rationale and Context

Certified Naturally Grown (CNG) is a grassroots marketing label that certifies producers in the USA and Canada. CNG was created in 2002 as an alternative to the USDA National Organic Program (NOP) which took effect in the same year. At that time, concerns and frustrations about the new regulation were common among members of the organic movement in the USA and led to discussions about alternative certification and ultimately to the establishment of CNG. The concerns included: high cost of certification (fees and indirect costs of complex paperwork and record keeping), philosophical concerns over joining of what was perceived to be a government and agribusiness takeover, perception of weakened and compromised standards and a fear that the market would be flooded by cheap products from agribusiness.

The CNG program emphasizes accessibility, minimizing paperwork and costs, and is based on a foundation of trust and direct relationships. CNG requires less paperwork and fees are lower compared to the NOP. As additional benefits for its members, CNG also invests in creating networking opportunities and organizes technical trainings and knowledge sharing.

Today the NOP and CNG can be viewed as programs that complement each other: the NOP is serving medium and large-scale agricultural operations, while CNG is tailored for direct-market farmers producing food for their local communities. A small number of CNG producers choose to get USDA certification additionally (about eight percent of CNG members), often because even though they appreciate the local connotations and grassroots nature of CNG, they also need NOP organic certification in order to access wholesale organic markets.

Stakeholder Involvement in the Set-up and Operation of the PGS

CNG started in 2002, in the Hudson Valley Region of New York State in the USA. The initial program creation included farmers, consumers, environmental NGOs and agronomists from universities and extension services. Unofficial suggestions from government representatives were also included in the initial program design.

The alternative certification program began to take shape over several months. It was decided that the program would only be open to small family farms that sold their farm products 'locally and directly'. To keep costs down, inspections would be handled by grower-peers on a volunteer basis. To reduce hierarchies and replace the overhead of a review board, a web-based system would allow transparent viewing of all aspects of each farm's certification process.

The first application forms and plans for peer inspections were developed without a central organization being in charge of the process at this point. It grew very 'organically' with many people contributing and changing pieces. The environmental organization Mid-Hudson Sierra Club contributed extensively and, unofficially, represented a 'consumers' perspective in the early stages of development. In August 2002 an open meeting to gather further input and feedback

was held at the North East Organic Farmer's Association (NOFA) Regional conference. The way the program is now run essentially corresponds to what was defined at this meeting, including the decision to adopt the USDA NOP standards, rather than developing new standards from scratch, for the sake of simplicity. This meeting included people from several states in the Northeast and the CNG program was officially declared to be national. By May of 2005, 350 farmers from around the US had joined the program.

In 2022, at the time of this study, more than 750 farms and apiaries throughout North America (USA and Canada) are part of CNG. Four employees are on staff at the organization (2 full-time, 2 part-time). They administer the organization's programs, consider how to better serve the farmers who participate, and guide CNG's vision and growth. When necessary to revise tools and documents or to develop new ones (e.g. new standards and checklists) the work is carried out by staff in consultation with members and experts. Inspection forms were for example simplified, to require fewer long answers and have more checkboxes instead. Members and other stakeholders carry out the peer reviews and serve on the CNG board and advisory councils on a volunteer basis.

CNG has 3 advisory councils: for aquaponics, mushrooms and apiary. These are composed of experts in the respective fields, who are consulted for technical and standards issues. CNG also has a board of directors as required by non-profit law in the USA. The board is responsible for oversight and strategic direction and currently consists of 5 persons from diverse background in the sustainable food sector, including 2 farmers. Today many of the day-to-day decisions and approvals are carried out by the staff. Major decisions are taken in consultation with the members and with final approval by the board. An example is the decision on whether to allow biodegradable plastic mulch that was taken some years ago.

Consumers do not have a very strong role in CNG; nevertheless they can be involved in the program in several ways. Consumers can, for example, participate in inspections as observers or, as part of a group of 3 consumers, they may conduct an inspection for a farmer who has been certified for at least two years. Farmers and consumers appreciate this option as a way to integrate the community more deeply in the farm. Consumers can also become 'friends of CNG' by donating to the organization.

Production, marketing, philosophy and production principles

Producers that participate in the CNG certification are responsible for their own marketing and pricing. CSAs, farmer markets and local food businesses are the most common marketing channels. Direct marketing has been a characteristic of most CNG producers since the early days. Certified farmers can use the CNG seal on their products and are encouraged to use it on their websites and communication materials. CNG has developed various marketing materials (e.g. stickers, t-shirts, caps) that can be purchased and contribute to the visibility of the program.

CNG farmers produce and sell various plant products (fruits, vegetables, herbs, grains, flowers, Christmas trees and maple syrup), animal products, mushrooms, honey, and fresh produce grown in aquaponic systems (but not the fish). There are no CNG certified processors and although many farmers sell their own jams, soap, cheese, etc. made from their own produce, there are no plans to include processing in the scope of certification at this time.

CNG utilizes the official NOP standards for produce and livestock, with minor adaptations. For apiculture, mushroom production and aquaponics CNG developed its own standards, based on the four principles of organic agriculture as defined by IFOAM – Organics International. CNG strives to be a program that goes beyond compliance with minimum requirements, aiming to encourage continuous improvement and peer support. For this purpose a reflection process on the sustainability of the production with the setting of personal goals was adopted a few years ago. These sustainability goals include the following areas: soil, water, inputs, biodiversity, biological cycles, energy, waste, economic viability and engagement with the community. The sustainability goals have been integrated in the inspection forms and are now a fixed part of all peer reviews. In order to make sure producers understand the standards, learning opportunities

and educational resources are available, such as: “Meet and Greets” which are informal opportunities to ask questions; a list of allowed and prohibited substances for each certification type; study guides to highlight the trickier aspects of the standard and short “practice quizzes”, to help avoid unintentional violations due to misunderstanding.

Functioning and Structure

What is perhaps most unique about the CNG program is that it is largely administered online via the internet. The interactive online application is the key administrative feature as it serves the purpose of collecting data on the farm and operation, but even more importantly, leads the farmer through a self-evaluation of their growing practices, to make sure that they understand exactly what they are committing to. The online application program is designed to give instant feedback to applicants as to acceptable and non-acceptable growing practices, in an effective fashion. Applying farmers read through multiple statements and actively choose or type their answer, thereby seriously considering and reviewing the statements and declarations they are making.

In order to get CNG certification, each farmer needs to complete the application, which is then reviewed by a CNG staff member. If it's accepted, they are asked to sign a declaration and undergo a farm inspection by a peer farmer. The inspecting farmer issues a recommendation on whether the farm should be included in the CNG program as part of the peer review report. CNG staff reviews this report, verifies that there are no serious corrective actions that need to be taken, and that the documentation is complete. Only then follows the final approval and granting of the certification. Each farmer accepted into the program gets an online profile on the CNG website, where key documents about the farm are made public. This includes the farm application, signed declarations and copies of the inspection reports.

On-site peer reviews are carried out annually for each farm, with a four-month grace period. Most farm inspections are carried out by a peer producer, but extension agents, instructors, and customers may also participate. In order to ensure inspections are carried out professionally, CNG organizes peer review training sessions and has developed a variety of materials (e.g. inspection handbook, inspection guidelines, top tips for terrific inspections, suggestions for open-ended questions, etc.) that inspectors can refer to in addition to the standardized form (checklist). Producers are responsible for making the arrangements for their own annual farm visit by contacting another CNG producer in their region. They're encouraged to ask for assistance from CNG staff if needed. Certified members are required to conduct an inspection of another participating producer, if there is one in their area. This work requirement is waived if there are no other CNG producers within one-hour drive who need an inspection. It is prohibited to trade inspections, meaning that a farmer cannot carry out a peer review for the person who inspected his or her farm or apiary within the past 24 months.

Since 2021 a new way to carry out inspections has been tested: Remote Observed Inspections (ROI). During a ROI, an experienced inspector carries out a peer review of another farm remotely, with 5 to 10 additional persons participating as observers. This option is only available for farms that have been with CNG for at least 3 years. ROIs have to be coordinated with CNG staff and led by a Senior Inspector. Remote inspections were first tested in the context of Covid-19 restrictions on in-person meetings. They are considered as valuable complement to physical inspections also outside of pandemic conditions. The biggest advantage of conducting ROI is that more people can observe the peer review and learn from an experienced inspector.

Members may have their certification suspended if they have not fulfilled one or more of the core requirements by the given deadline. Failure to arrange the inspection visit is the most common reason, as it is in the farmers' own responsibility to make the arrangement, although CNG staff try to avoid this outcome by sending regular reminders and making suggestions for alternatives when the farmer needing an inspection isn't close to other CNG farmers.

Certification may also be withdrawn because of violations of the standards, chemical drift from a nearby farm, or other incidents that impact the farm's qualifications. Rules for corrective action

and consequences for non-compliance are clearly defined. Conflict resolution is usually handled by CNG staff who may take the role of a mediator.

Costs and funding of set-up and funding of the program

In the beginning, much of the development of the CNG program happened through volunteer efforts. Funds from grants, donations and some member contributions came in from early on, but it was not enough to remunerate for all the work and most of the funds were time-limited rather than reliable. For example, it was with financial support from Cornell Extension of Ulster County that the first informational website was created. Since funding for the actual costs of running the program was not sufficient, early employees received very low remuneration for their work.

It was not until 2011, when a new approach to member contributions was introduced, that the financial situation changed: for the first time, a minimum contribution of 110 USD per year was proposed and agreed upon by the members. This amount was based on a more realistic calculation of the actual costs of running the program.

Today the minimum contribution is set at 150 USD per year, which is enough to cover the bare minimum of running the organization. In order to have more options and allow for the organization to develop and improve, CNG recommends its members to pay an annual contribution of 200 USD or more. The majority of producers follows the recommendation and contributes fees above the minimum amount. To make it easier to cover the recommended dues amount, members may make monthly payments, taken automatically from their credit card, in amounts of \$17, \$20, \$25 etc.

In order to enable the participation of producers who are unable to pay the fees, e.g. because they are just starting or are affected by unusual hardship, a special fund has been set-up. The creation of a Grassroots Fund was recommended by members in 2011 when a minimum dues amount was first proposed. This fund is established entirely by members and other supporters. Every few years, when the Grassroots Fund runs low, CNG staff has put out a call to members and supporters to replenish it. In this way, the fund has been able to support all qualified requests for more than ten years. Grassroots Funds are available to CNG members whose application to CNG has been accepted, and who send a simple application note where they describe their farm, why they're requesting financial assistance, why it's important that their farm be CNG, and how much they can contribute toward their dues (if anything).

Currently CNG employs 4 people and their salaries constitute the main expenses for the organization. Core costs are covered by the certification dues while various grants and external funding are mainly used to invest in new programs and to expand services that are designed to be self-sustaining in the long-run. Smaller revenue streams come in from merchandise sales (stickers, twist ties, signs, and t-shirts) and from Business Allies, who make an annual financial contribution in exchange for recognition as supporters on the CNG website and in the quarterly email newsletter. CNG considers it as an important success factor for the long-term sustainability of the program that basic expenses are self-financed by the members, therefore the organization can largely be independent from external funding.

Legal framework

Since 2006 CNG is registered as a non-profit organization in the USA. Although CNG standards are based on organic principles, producers certified through CNG cannot use the term 'organic' as this is a private certification scheme, not affiliated with the USDA NOP. The common misuse of the term 'natural' on packaged food products is a challenge, since the term is not protected. This framework requires a lot of investment in consumer education and visibility.

As mentioned, this program was started by farmers who sought an alternative to the USDA National Organic Program (NOP) and specifically due to small-farmer criticisms and concerns about the impact of USDA NOP on small, direct-market organic farmers. Today it is very clear that CNG and the NOP are actually complementary. The USDA NOP provides the bureaucracy, hierarchy and overhead necessary to maintain a third-party certification program suitable for processors, distributors and wholesalers. CNG helps to build the organic movement by serving small and mid-scale producers focused primarily on supplying their local communities, who might not otherwise seek certification nor receive the benefits it brings.

This complementary relationship has mutual advantages. A focus on higher ideals, small family farms, and the 'local-only' nature of CNG offers marketing advantages in addition to reduced paperwork for small growers. Most organic farmers find considerable value in some sort of guarantee and support system, but locally-focused direct market farmers often have a hard time justifying the time and expense required in order to benefit from a third-party certification system. For most third-party certifiers, on the other hand, dealing with many small growers is usually not cost-effective. By adopting PGS, CNG provides an attractive alternative for these small, locally-focused farms, strengthening and encouraging organic farming practices, while building public consumer awareness of which local farms have taken steps to ensure they uphold high standards for ecological food production.

Any additional information or advise

Be prepared to grow slowly at first. Know what support is reliable in the long-term. If you get bigger grants, make sure to invest them in a way that is sustainable. Enable farmer contributions. Have diverse income sources.

Sources

- The Official Handbook of Certified Naturally Grown. January 2020
- CNG Website: www.cngfarming.org
- Participatory Guarantee System. Case studies from Brazil, India, New Zealand, USA, France, IFOAM – Organics International 2008
- Interview and additional information obtained from Alice Varon, Executive Director of Certified Naturally Grown