Verification Manual

ORGANIC COTTON ACCELERATOR

CONTENT

ORGANIC COTTON ACCELERATOR

1

PURPOSE OF THE VERIFICATION MANUAL

ORGANIC COTTON ACCELERATOR

The Verification Manual is a guide for Third-Party Agency (TPA) Verifiers and their personnel when working on the OCA Farm Programme.

It encompasses processes for data collection and data verification for the preparation of standardised reports and OCA's Performance Improvement Reports (PIR).

As part of OCA's Monitoring and Evaluation (M&E) System, the Verification Manual details the evaluation process and (where applicable) the requirements set out under directives provided by the following standards: ISO 19011, ISO 17065 and ISO 17021.

The Verification Manual conforms with the requirements set out in OCA's *Farm Programme Guidelines* and is therefore necessary literature to be studied by any personnel managing and performing TPA evaluations for OCA.

2

TERMS AND DEFINITIONS

Brands/Retailers: The OCA partner Brands/Retailers actively involved in the Farm Programme

Control Farmer: Conventional Farmers (where possible) who have similar characteristics to the intervention farmers, such as farm size, land dedicated to (organic) cotton and other crops, region, farm income, farming expenses, but who are not participating in the intervention programme.

Farmers: Organic (certified/in-conversion) farmers that are part of the groups and organisations from which the IP sources their cotton.

Genetically Modified Organism: Genetically Modified Organism (GMO) means an organism, with the exception of human beings, in which the genetic material has been altered in a way that does not occur naturally by mating and/or natural recombination.

Indicator: A quantitative or qualitative variable which can be measured or described, and which provides a means of judging whether a Programme actor contributes to the expected outputs, outcomes and impact.

Internal Control Systems (ICS): An organised group of farmers /producers who intend to produce organic products/engage in organic processes in accordance with the National Standards of Organic Production.[1]

Implementing Partner (IP): Value chain players that are part of the Farm Programme. They are contracted by the Brands and manage and source organic cotton from organic Farmer programmes/ groups growing cotton. IPs can cover one or more (integrated) steps in the supply chain, e.g. cooperatives, ginners, spinners, weavers, garment makers.

ISO 19011: Guidelines for auditing management systems

ISO 17065: Conformity assessment — Requirements for bodies certifying products, processes and services

ISO 17021: Conformity assessment: Requirements for bodies providing audit and certification of management systems

Organic Agriculture: Organic Agriculture is a production system that sustains the health of soils, ecosystems, and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic Agriculture combines tradition, innovation, and science to benefit the shared environment and promote fair relationships and good quality of life for all involved.[2]

Premium: An additional bonus payment on top of the price received for seed cotton from the Brand & Retailer and transferred through the supply chain to the farmer to assist with improving the farmer's business case.

Third Party Agency (TPA): Third-party entities that conduct data collection and validation activities.

1. IFOAM, 2011.Position Paper: The Use Of Organic Seed And Plant Propagation Material In Organic Agriculture. [online]
2. IFOAM, 2016. Position Paper: Genetic Engineering And Genetically Modified Organisms. [online]

3

OVERVIEW OF THE ROLES

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The role of the TPA in OCA's M&E system is described in detail in Chapter 3 'Roles and Responsibilities' in the OCA *Farm Programme Guidelines*. The document *Requirements and Qualifications for Third-Party Verifiers* details the necessary qualifications and credentials required for TPA verifiers and their personnel.

Each TPA must maintain documented profiles of the personnel involved in the collection and verification of data from the OCA Farm Programme.

Figure 1 indicates the required roles expected on a verification team. The background of the verifiers must be aligned with the job requirements detailed below:

Figure 1: *Roles of Third-Party Agency Personnel*

Verifiers	The verifier will be a part of the verification team who will work under the guidance of a Lead Verifier. Verifiers will be assigned specific tasks by the Lead Verifier. A verification team may have more than one verifier working under a Lead Verifier.
Lead Verifier (Verification Team Leaders)	The Lead Verifier functions as the verification Team Leader. The Lead Verifier will be responsible for coordination and efficient function of the verification team.
Data Collection Assistants	Data Collection assistants could be **technical experts** (including **translators, data collection experts, interpreters**) who are not participating as Verifiers, but as individuals who can provide specific knowledge for a particular area/ topic being evaluated. The Data Collection Assistants do not make any verification decisions but work under the guidance of the Lead Verifier.
Task Managers	A Task Manager is responsible for all communication with OCA regarding a verification task. The Task Manager shall coordinate with the Lead Verifier to ensure all project deliverables are met.

4

VERIFIER QUALITIES AND RESPONSIBILITIES

ORGANIC COTTON ACCELERATOR

4.1 Underlying Verifier Qualities

OCA expects its TPA Verifiers to adhere to underlying principles when they interact with an Implementing Partner. The Verifier largely determines the quality and result of each evaluation; thus it is very important that all Verifiers respect and act in accordance with these principles.

- Ethical conduct
- Fair presentation
- Due professional care
- Independence
- Evidence-based approach

4.2 Personal Qualities and Behaviour Expected from TPA Verifiers

In order to fully realise the underlying verifier qualities, there are several personal characteristics which are important to master and develop for any professional verifier. The way verifiers behave throughout a verification process also impacts the relationship with an IP and the quality of data collection and verification. The TPA Verifier will set the tone for the whole verification process. It is important that the tone is cooperative, friendly, mutually respectful and promotes team spirit.

4.3 TPA Verifiers' Attitude

Verifiers should work to establish a cooperative and effective working relationship with the IP. The quality of this relationship is crucial for the successful implementation of the verification plan. Verifiers are expected to be respectful, kind and professional. Verifiers should also strive to understand each situation from the IP perspective. In many cases, Verifiers are the first in-person contact the IP personnel may have with OCA. In that regard, you function not only as an independent TPA Verifier, but also as a representative of OCA.

4.4 Key Personal Qualities Expected from a TPA Verifier

Effective team member: The Verifier is expected to perform as a team player and should be able to work effectively in a team.

Verifiers must maintain objectivity and independence; however, any verification should be conducted in a team spirit including with regards to the client. The verification team should reach consensus on the findings and conclusion with regards to verification; hence inability to function as a team may hinder the data collection and verification process.

Perceptive and persistent: Perceptiveness is best explained as the ability to grasp information and issues quickly without jumping to conclusions. During a verification there is always time pressure and a verifier should be empathetic, perceptive and able to comprehend situations quickly. They should be aware that the same things are done and addressed differently by different IPs. Therefore, a verifier must be diligent and patient, sticking to the planned course of action despite setbacks and difficulties. Verifiers should not make snap conclusions based on limited information and should also not invest too much time on single issues. Verifiers must be persistent, willing to ask the same questions repeatedly and following up on all leads to gain important evidence to formulate correct findings.

Systematic and technical approach: Since a vital part of verification is the systematic collection of evidence, a good verifier must be able to approach OCA's requirements in a systematic way to ensure that all relevant criteria are covered during the verification. The ability to define boundaries of responsibility, keep track of time, approach topics in systematic way and gain and document evidence in organized way is important.

5

VERIFICATION TEAM COMPOSITION

ORGANIC COTTON ACCELERATOR

Based on the information presented by OCA and any additional information gained from the IP, the TPA will constitute a verification. The composition and qualification of the verification team is key to a high quality and successful verification. Depending on the size and complexity of the verification scope, the verification team can consist of one or more members. OCA provides the guidelines for the required qualifications and capabilities of the verification team.

Once the team members are known, the Verification Team Leader should assign responsibility for specific processes, functions, sites, areas or activities to each team member. The TPA Task Manager must also ensure that a confidentiality agreement is signed by all team members, before any IP information is provided to the team members.

It is important to remember that the IP must be informed about the names and qualifications of all verifiers in the team. This is usually done by timely submission of the verification plan. The client has the right to request replacement of particular verification team member(s) on reasonable grounds and upon justification. Reasonable justifications include conflict of interest situations or previous known unethical behaviour. The OCA Programme Manager shall be responsive to such requests by the IP and consider each case with due diligence.

Each verifier shall be accompanied by a guide from the IP, unless otherwise agreed by the Verification Team Leader and the IP. Guide(s) are assigned to the verification team to facilitate the verification. The verification team shall ensure that guides do not influence or interfere in the verification process or outcome of the verification.

6

VERIFICATION PLANNING

ORGANIC COTTON ACCELERATOR

6.1 Verification Frequency

The verification will be conducted in two phases in a cotton growing season, the exact dates and deliverables will be communicated by OCA in its terms of work. The table below details the two phases of work:

Figure 2: *Verification Phases of Work*

	ACTIVITY	DETAILS
Phase 1	Field visits to project locations	• Gaining familiarity with the project location and project implementing staff • Discussion with IP to understand the process and collection of details for the IP schedule • Collection of GM seed cotton samples from farmers • Tentative list of sample villages, project farmers and control farmers • Field visit to view sample villages and farms to observe the activity and gather data
	Collection of GMO seed cotton sample from farmers	Deliver data for seed cotton tests at farmer level to OCA
	Submission of tentative sample farmers list	Deliver tentative list of sample villages and farmers for data validation
	Review meeting/call	Review meeting/ call between OCA and TPA to update the validation activity
Phase 2	Field visits to project locations	• Finalisation of sample list of project farmers and control farmers • Collection of GM seed cotton samples from gin and topsoil samples • Collection of all pending data for the control farmers
	Collection of GMO seed cotton sample from gin	Deliver data for seed and lint cotton tests at gin to OCA
	Preparation of preliminary data analysis reports	Deliver preliminary data analysis for all indicators for control farmers and project farmers - except payment validation
	Case studies	Development of robust case studies of two farmers / projects with photos and usage consent
	Development of Performance Improvement Reports (PIR)	Draft PIR for submission to OCA
	Development of Results Reports and dashboards	Draft Results Reports and dashboards for submission to OCA
	Submission of Invoice	Invoice to OCA post submission of draft Results Reports and dashboards for all projects
	Updating final data	All data collected by TPA quality checked and shared with OCA
	Development of End of Year report	Deliver End of Year report on process improvements in the GMO Standard Operating Procedure and M&E framework
	Submission of Invoice	Invoice to OCA post submission of the End of Year report

6.2 Sampling and Site Selection for ICS Member Farmers

Production Site Selection

Sites to be included in an evaluation shall be determined based on a sampling methodology. Sites will be selected based on various risk factors, including IP data collection methodology, number of sites included in the OCA Farm Programme, performance in previous verification.

OCA's standard sampling formula for use under usual circumstances is detailed below:[3]

y=R*x

where:
y = number of OCA Farm Programme production sites to be verified by TPA (rounded up to the nearest whole number)
R = risk index
x = basic sample size

During selection process, a representative sample of production sites shall be selected. Site factors such as, geographic location, quality of organic inputs, etc., should be considered during sampling. Additionally, at least one production site shall be chosen at random. The risk index and basic sampling rate are available in the full guidelines.

Where possible, consecutive TPA visits should avoid duplicate sampling during subsequent years. However, if there are justified reasons, such as receipt of a substantiated and/or high-risk complaint, a production site should be visited two years in a row.

6.3 Sampling for GMO

Due to large scale GMO prevalence in India, cottonseed is often considered the primary source of GMO contamination. It is also comparatively 'easy' to control the contamination before the seed procurement level, by preventing the entry of contaminated cottonseeds into organic production rather than trying to mitigate it at a later stage in the production cycle. Guidance on cotton seed sampling and testing for GM contamination methods, sample design and collection, and the criteria for lab selection for GMO testing is available in the Standard Operating Procedure for GMO Sampling and Testing on OCA's website.

3. In exceptional circumstances, when sample collection and verification is inhibited due to unforeseen circumstances this sampling formula may be adopted in line with pre-agreed contingency plan.

7

VERIFICATION PROCESS

ORGANIC COTTON ACCELERATOR

During the time between these Verification steps, the primary task of an TPA Verifier is to collect evidence in relation to the IP's conformance to the requirements of OCA Farm Programme. Additionally, it is important to maintain information exchange with the IP about the preliminary verification results throughout the whole verification process. Finally, the verification team should exchange information internally during whole verification in order to conduct an effective verification. This chapter provides information about managing all these critical parts of the verification.

7.1 Gathering Evidence

The verification team must design and conduct verification activities to evaluate the IP's performance at different points of their management system. Figure 4 outlines the evidence required for each stage of verification.

Figure 4: *Evidence gathered by Third Party Agencies*

Type of evidence	Description	Documentation of evidence
Interviews	Information gathered from interviews with IP staff across the operation, contractors, stakeholders, government agencies, etc. provide important verification evidence. Formal written surveys are sometimes used to gather information from targeted parties. Consequently, evidence may be presented either in verbal or written form.	**Notes from interviews, minutes of meetings, survey responses**
Direct observation	Direct verifier observations to evaluate performance as IP procedures are being carried out (e.g. direct implementation of IP procedures), examining site conditions, facilities or products to evaluate IP practices and performance. Verifier should be constantly aware of the surrounding environment and conditions.	**Verifier field notes, Photographs in some cases**
Documentation review	Review of IP documents such as policies, objectives, plans, procedures, standards, instructions, licenses and permits, specifications, drawings, contracts and orders. May also include documents from other parties (e.g. regulatory bodies, customers, suppliers etc.).	**References to specific documents or sections in a document. Copies of documentation.**
Records	Review of records, such as inspection reports, volume records, supplier documentation, invoices to customers, databases, minutes of meetings, records of monitoring programmes, internal audit reports, results of various measurements (e.g., conversion/yield), etc.	**Records or reference to specific record or section or point in the record**
Stakeholder comments	Comments from stakeholders are obtained in response to assessment notification and request for comments or through targeted interviews. These comments are an important source of verification evidence subject to further investigation.	**Written correspondence, notes of interview**
Direct measurements	Measurement of structures or features to evaluate conformance with standard or legal regulations (APEDA compliance requirements, CB requirements, measurements of certified cotton inventory volumes).	**Field notes, company records (e.g. production report), maps**

Verifiers must make every effort to confirm that the verification evidence obtained during the verification is true, accurate, and objective. In order to verify the evidence, verifiers should:

- Triangulate the date by checking for confirmation of evidence from various sources. For example, if documentation suggests non-conformance, speak to relevant staff and observe the activities in practice to gain further evidence from different sources.
- Give feedback to the IP about evidence which suggests non-conformance to ensure that the evidence has been correctly understood and interpreted.
- Share evidence and findings with other team members to calibrate findings and if needed, ensure that additional evidence is gathered by other team members.

As a rule, the evidence should be collected from different sources and also from different levels in the organization. The following matrix helps to understand this concept. Evidence should be collected from as many cells of the matrix as possible. The more commonly important sources of information are indicated with bold bullet points.

Figure 5: *Evidence gathered by Third-Party Verifiers*

		Information Type		
		Documentation	Interviews	Observation
Organisational Levels	Top Management	●	●	
	Administration	●	●	
	Department Head	●	●	
	Operational Workers		●	●
	Production, Field Visits		●	●
	Subcontractors	●	●	●

Note: Evidence shall be evaluated according to section 8 below.

8

ANALYSING EVIDENCE AND DETERMINING CONFORMANCE

ORGANIC COTTON ACCELERATOR

Analysing verification evidence primarily means comparing the evidence with the requirements in the OCA Farm Programme Indicators (the verification criteria) to determine[4] conformance or non-conformance between what is demonstrated through evidence and what is required in the standard. The findings related to conformances are shared in the Performance Improvement Report (PIR).

8.1 Performance Improvement Report (PIR)

OCA creates impact at farm level through continuous improvement and collectively drives improvements across cotton value chains over time. Given the importance of the Farm Projects in mainstreaming best practices in the organic cotton sector, it is necessary to create feedback loops within the OCA M&E System to encourage growth and development of the project based on observed and measured results. To this end, the PIR has been created to establish the mandate of continuous improvement firmly. The PIR is shared for internal use between the brand and the IP at the end of the season.

The report consists of two separate sections –The M&E Feedback (MEF) report which includes feedback from OCA and its TPA based on interactions and observations on the field. In this section, project performance is categorised as follows:

Figure 6: *Project performance categorisation in the Performance Improvement Report*

Performance Level	Scenario
Strong performance	Best available practices were followed Only "Observation" issued by the TPA
Satisfactory performance	The practices followed were close to the best available practices. Minor Non-Conformities were issued by the TPA
Improvements needed	The followed practices need to be amended for successful project implementation. Major Non-Conformities issued by the TPA
Critical improvements required	The followed practices need to be changed for successful project implementation Major Non-Conformities of critical nature issued by the TPA

Section two is the Corrective Action Plan (CAP) and is completed by the project implementation team indicating areas of improvement for the next season based on the recommendations from OCA. The final version of the CAP is submitted to the brand following a discussion with OCA.

The PIR is designed to be used as a guiding document for the project to identify aspects to improve and for the IP and Farmers to deliver to higher standards in the long run. A PIR is incomplete without a CAP from the project to detail how the implementation team intends to address any concerns highlighted by OCA. In addition, a project's PIR will inform OCA of the level of monitoring required for that project in the next year (indicated in the table below).

4. Refer "Classifying the evidence based on compliance"

8.2 Non-Conformance Grading (Major vs Minor)

Based on the evidence gathered by the verifiers against the indicator, the IP can comply or have a non-compliance to the requirements set by the OCA Farm Programme indicators evaluated by the TPA. Each non-conformance shall be separately evaluated to determine whether it constitutes a minor or major non-conformance at the level required by OCA. This evaluation should consider the scope and the impact of the non-conformance, considering how it affects the integrity of the certified system and the credibility of the OCA Farm Programme.

The table below provides general guidance for determining the classification between minor and major non-conformance.

Figure 7: *Guidance for determining the non-conformance classification*

Type of evidence	Description
Temporary lapse	Continues over a long period of time
Rare and non-systematic/non-systemic	Systematic
Impacts are limited in temporal and spatial scale	Affects a wide portion of operation
Does not result in a fundamental failure to achieve the objective of the relevant requirement	Not corrected or adequately responded to by the operation managers once it has been identified
	Will likely result in a fundamental failure to meet the requirements of the OCA Farm Programme
	Affects the integrity of the organic Certification Programme[5]

The non-conformances shall be noted in the PIR and communicated to OCA post-closing meeting. The verifiers may also identify minor problems or the early stages of a problem which do not constitute a non-conformance, but which the verifier considers may lead to a future non-conformance if not addressed by the client. These are addressed through issuance of an "Observation". Such observations should be recorded in the PIR report for the benefit of the client. Observations are not graded and they are not mandatory for the client, however it is useful to evaluate the areas during the next verification to ensure that the problems have not progressed into non-conformances.

5. Shall be reported to OCA confidentially, refer to Section 8.3

8.3 Reporting of Organic Integrity Issues to OCA

During the verification process, the TPA may come across violations of significant nature that could threaten the organic integrity of the ICS. The TPA shall communicate such incidences to OCA's Programme Manager promptly. OCA will treat such reports confidentially. The instances which could be considered of significant nature are

- Non-existent farmers in an ICS
- Same farm registered in an ICS under different names
- Systemic use of prohibited input use by the ICS members
- Overreporting of organic cotton yield
- Suspicion of purchase of non-organic cotton by the ICS
- Human rights violations in the cotton farms
- ICS members are not aware that they are members of an ICS

9

GUIDELINES FOR VERIFIERS WHEN SUBCONTRACTING WORK

ORGANIC COTTON ACCELERATOR

A subcontractor is an entity or an individual who is engaged by a TPA to conduct any part of the work in the contract awarded by OCA to the TPA. Part time / temporary employees of the TPA will be treated as subcontractors by OCA.

If the TPA subcontracts any portion of the work assigned to them by OCA then the TPA is obliged to seek prior agreement by OCA and follow OCA's Guidelines for Verifiers when Subcontracting Work.

A subcontractor is an entity or an individual who is engaged by a TPA to conduct any part of the work in the contract awarded by OCA to the TPA. Part time / temporary employees of the TPA will be treated as subcontractors by OCA. If the TPA subcontracts any portion of the work assigned to them by OCA then:

- The TPA shall document the nature of the subcontracting agreement, including the name, address, and contact details of the subcontractor, and share with OCA in writing prior to outsourcing
- The TPA shall require all subcontractors involved in working on OCA Farm Programme related work to sign a declaration agreeing to comply with relevant OCA Farm Programme requirements, providing access to their premises and records for any OCA staff or OCA appointed agencies
- The TPA shall ensure that all subcontractors are trained and competent to comply with relevant OCA Farm Programme requirements
- The TPA shall ensure that the subcontracted personnel shall comply with all the qualification requirements set by OCA for personnel competence
- The TPA shall ensure that the subcontracted personnel do not have conflict of interest in the work that they undertake for TPA on behalf of OCA

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Let's unleash the potential of organic cotton, together