

Findings of the re-inspection rate working group

Introduction

In the smallholder group certification methodology, each producer is inspected at least once annually by an internal inspector as part of the Internal Control System. When an external inspection/certification body comes to inspect the group scheme, the inspector performs an evaluation of the ICS. Part of that evaluation is a re-inspection of a number of producers, to see whether the ICS works properly or not.

Reference is made to the Compilation document, in which all the agreements of the previous two workshops on smallholder group certification are laid down.

Purpose of the working group

During the presentation of the progress of the smallholder group certification harmonisation process at the Organic World Congress an email working group was formed to find a proper method to determine the so-called rate of re-inspection.

This external inspection should be done in a transparent way and the results should be replicable. All certification bodies should apply more or less the same method, taking away fears that a low number of producer re-inspections are an element of competition.

Methods to determine rate of re-inspection

Various methods have been discussed to determine the rate of re-inspection and three different approaches to the issue can be identified:

☐ The common sense approach

This is a pragmatic and Situation specific approach. It looks as if the quality of the ICS and not number of farmers inspected. Focus is also more on strengthening the ICS.

The problem with this approach is that it is hard to convince competent authorities of its use.

Everybody wants to see a number, a percentage. There are no concrete measurable indicators to prove the integrity of the ICS. It is open to misuse.

☐ Using the probability theory within population statistics

The probability theory looks at a statistical solution. Through formulas and figures the number of re-inspections can be determined with a certain probability of finding deviations. This approach is based on random inspections.

Because of the latter this approach is quite inefficient, large numbers of smallholders have to be inspected to gain a reasonable percentage of probability. The statistical reasoning and the calculations are complicated and the variables are many. It is not easy to understand. One can get lost in very abstract discussions that defy the purpose of the inspection: making sure that the ICS works well.

☐ The ISO 62 square root approach

With the square root approach ($x=\sqrt{y}$) the calculation of the re-inspection rate is based on a given, very simple formula which however has an 'official' ISO status. It is used in all kinds of inspections, also in agriculture, like for Eurep GAP. The approach is efficient because one can still concentrate on risk sensitive areas. The re-inspections can be targeted according to the risk assessment whereby the number of re-inspections can be multiplied in medium and high risk situations. With a certain format for the risk assessment this can be done in an easy and transparent way.

The problem is that there is absolutely no scientific backing for this formula. It could have been $x=2\sqrt{y}$ as well.

EU document

An interesting development is a guidance document (in draft form) by the European Commission. The re-inspection rates suggested in the document for low risk resembles the square root rates of ISO 62. It is not scientifically based but very practical.

The document is considered reasonable by the working group members who have seen it and can also be taken as an input into the discussion.

Recommendation

The first two options are not appropriate because of the above given reasons. One is too simple and the other one is too complex.

With the square root approach one has an official ISO-62 standard as a reference point. Based on a proper risk assessment the inspection body can still target its re-inspections and decide whether to increase these through multipliers as in the table below:

Minimum amount of growers to be inspected by external inspectors

Number of group members	Normal	Medium risk	High risk
	risk factor 1	risk factor 1,2	risk factor 1,4
Minimum	10	12	14
50	10	12	14
100	10	12	14
200	14	17	20
500	22	27	31
1000	32	38	44
2000	45	54	63
5000	71	85	99
10000	100	120	140

Another possibility is to follow the EU guidance document which re-inspection rates resemble the rates as above (low risk being a normal situation).

The EU document only handles a much higher multiplier for medium and high risk situations, this can also be seen as a sanction.

When we add a few more categories of number of group members to the table in the EU guidance document the following table can be generated:

Number of operators to be inspected by the external inspection body

Number of group members	Low risk	Average risk	High risk
	risk factor 0,5	risk factor 1	risk factor 2
Minimum	6	6	6
50	6	6	10
100	6	8	16
200	8	16	32
500	13	25	50
1000	20	40	80
2000	30	60	120
5000	50	100	200
10000	100	200	400

Percentage of operators inspected

50 - 199	5%	10%	20%
200 - 499	4%	8%	16%
500 - 999	2,5%	5%	10%
1000 - 1999	2%	4%	8%
2000 - 4999	1,5%	3%	6%
5000 - 10000	1%	2%	4%