Use of Third Party Audit to Verify Sources from Farm to Supplier

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Novecta – New Direction in Agriculture

- Joint Venture company of the Iowa and Illinois Corn Growers
- Formed in 2002
- Provide implementation and auditing of quality management systems for grains and grain processing
- Work throughout Canada, US and SE Asia
- Work with all grains and crops
A Changing Marketplace

- Technology
  - Biotechnology
  - Internet
  - GPS

- Consumer Demands
  - Country of Origin
  - Agronomic Practices
  - Trait Specific Needs
Purpose - To create a practical on-farm quality system that can be audited by third parties

Approved by USDA in 2007
The core team

- Experienced with management systems applied to agricultural value chains
- AOSCA – the Association of Official Seed Certification Agencies
- Novecta, LLC – a joint venture of Iowa and Illinois Corn Grower Associations to help growers understand their role in value chains
- Dennis Strayer & Associates – consultants working with management systems applied in agricultural value chains
Core team experience

- ISO 9001
  - Implementation and auditing in agriculture applications

- USDA Process Verification Program
  - Worked with USDA in program development and application (about 5 years)

- ISO22006 (guidance document based on ISO9001:2000 applied to production agriculture)
  - All core team members have worked on the project since its inception (about 5 years)
Lessons learned from this experience...

- Existing Quality Systems are too complex for farm use
- They can be too time consuming
- One system is not broad enough to fit all
- They lack flexibility for cropping systems
- They do not meet the needs of production agriculture
- They are often expensive to implement and audit
The market is ready for a new approach to producer certification…

- The industry needs an innovative system
- Applying experience in production agriculture
- Assembling a design team with experience
- Include potential users in developing a system
  - Producers
  - End users (buyers)
- Other advisors to review and provide guidance
Management systems at the farm level:

- Provide management skills for producers
- Provide customers with assurances
- Provide transparency
- Provide support to members of value chains
- Provide third-party validation of production processes
Goals of Quality Management systems for the farm.....

- User-friendly
- Integrated
- ISO-based
- Economical
- Sensitive to size differences
- Collaborative
Goal - User-friendly:

- A concise, easily understood standard
- An implementation manual to provide specific guidance for each clause of standard
- Template documents that allow producers to quickly set up and use program reports
- System requiring minimal recordkeeping
- Third-party audits are cost-effective and easy
Goal - Integrated:

- ISO-based system centered on quality, but integrating five significant program areas:
  - ISO 9001 Quality Systems
  - ISO 22000 Traceability for Food Safety
  - ISO 14000 Environmental Standards
  - Worker Safety
  - Product Security
Goal - ISO-based:

- Incorporating ISO structure and language for standards – international recognition
- Incorporating ISO management principles to benefit the users – internal and external value
- Incorporating ISO guidelines, so the standard can be audited
Goal - Economical:

- Requiring minimal time for program development, documentation, initiation, application, and certification
- Requiring little or no consultation time
- Easily audited by nearby auditors
- Cost is greatly reduced
Goal - Sensitive to size difference:

- Adaptable to any size of operation
- Can be applied to entire operation or only specific enterprises
- Costs should be proportional to complexity
- Adapted to most any crop
Goals - Collaborative:

- Provide buyers with assurances resulting from third-party audits
- Provide compliance assurances for all five program areas to other members of value chains
- Easily modified to provide documentation and records by paper trail or electronic trail
The **Quality** plus Management Standard

- Recognized by the USDA
- Audited by organizations accredited under the USDA Guide 65 program
- Novecta website provides the Management Standard for downloading and is responsible for education and implementation at the farm level
The **QUALITY**\textit{plus} Management Standard

- Provides a structured decision-making platform for managing production agricultural businesses
- Provides a broad-based management system to include five significant program areas:
  - Quality
  - Traceability
  - Environmental
  - Farm and worker safety
  - Farm and product security
The **QUALITY**\textsuperscript{plus} Management Standard

- Flexibility in developing a program specific to:
  - The Producer
  - Customers
  - Regulatory Bodies and other Businesses
- Credible documentation of the producer’s program
- An objective viewpoint through third-party auditing
QP Implementation Manual provides:

- Guidance on applying each of the management standard clauses to specific situations
- A user-friendly template to facilitate development of the producer’s application documentation “program manual”
- Standardized forms for all program areas.
Benefits

- Low cost “starter” quality system
- Individual or group verification of a cropping system or practice
- Farmer receives immediate, internal benefit from improving their operation
- Possible cost reductions for inputs and services
Benefits

- Provides a documented “track” record for value added products in the future
- Can be implemented quickly if an event or customer’s need develops
Applications

- Farm businesses that want to validate, brand, or contain an on-farm product
  - Food industry
  - Research
  - Seed company trials
  - Validate farming practices
  - Complete documented link from farm to fork
The **QUALITY**\textsuperscript{plus} Management Standard

Establishing Quality Management Systems for the Farm
What’s it all about?

CONFIDENCE
Of Consumers

CONFIDENCE
Of Government Agencies

CONFIDENCE
Of Auditors
Thank You

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