



**International
Standard**

ISO 18716

**Professional farmer organization —
Guidance**

First edition

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ISO copyright office
CP 401 • Ch. de Blandonnet 8
CH-1214 Vernier, Geneva
Phone: +41 22 749 01 11
Email: copyright@iso.org
Website: www.iso.org

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO document should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

ISO draws attention to the possibility that the implementation of this document may involve the use of (a) patent(s). ISO takes no position concerning the evidence, validity or applicability of any claimed patent rights in respect thereof. As of the date of publication of this document, ISO had not received notice of (a) patent(s) which may be required to implement this document. However, implementers are cautioned that this may not represent the latest information, which may be obtained from the patent database available at www.iso.org/patents. ISO shall not be held responsible for identifying any or all such patent rights.

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 34, *Food products*.

This first edition cancels and replaces ISO/IWA 29:2019, which has been technically revised.

The main changes are as follows:

- the Introduction has been updated to further clarify the background and purpose of the document;
- [Clause 1](#) has been extended to further elaborate on the farmer organizations the document is applicable to;
- [Clause 3](#) has been updated;
- [Clause 4](#) has been updated to further elaborate technical elements;
- Clause 5 has been incorporated into [Clause 4](#);
- [Annex A](#) has been extended.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

Introduction

Farmer organizations can play an important role in agricultural development and in farmers' well-being by, for example, enabling members to improve agricultural and environmental management practices, increase yields and productivity, access better markets, gain exposure to model farmers, access affordable financing, and engage with other key business partners. This can increase the creativity, innovation, socio-economic inclusion, effectiveness and profitability of farmer organizations and their stakeholders.

There are numerous stakeholders with an interest in the professionalization of farmer organizations, including, but not limited to, governments, financial institutions, value chain actors (e.g. suppliers, buyers, aggregators, transporters), business development service providers, international development and non-governmental organizations, and the farmers themselves. Each of these actors can have their own expectations, tools and approaches. For decades, this has led to fragmentation, redundancy and limited efficiency in the provision of services to and by farmer organizations. For example, it is not uncommon to find farmer organizations that have received the same training many times, and yet are unable to demonstrate the clear progress toward professionalization that can help them access more or better markets, financing and enhanced benefits for their members.

The purpose of this document is to establish common guidance and best practices that describe a professional farmer organization. The guidance can be used to develop more harmonized and efficient farmer organizations. This facilitates different stakeholders to more effectively align in their support for farmer organizations and for farmer organizations to demonstrate professionalism in a universally understood way. The guidance is based on the premise that the more professionally a farmer organization operates, the better it will engage with its stakeholders (e.g. members, clients, business partners) and the more likely it is to have better business opportunities and greater sustainability. [Figure 1](#) illustrates how establishing common global guidance can lead to improved business performance.

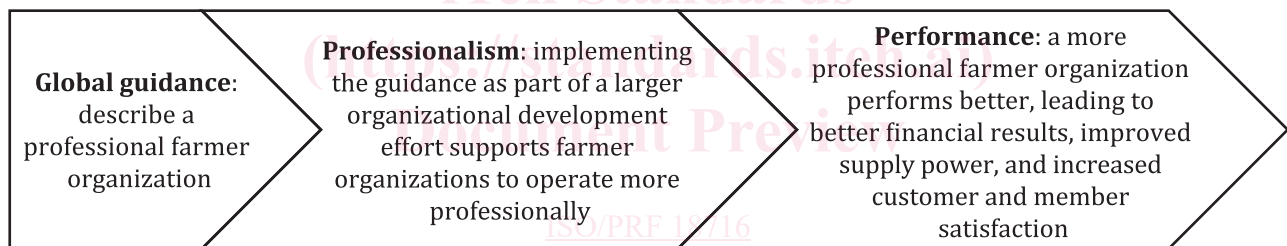


Figure 1 — From common global guidance to improved business performance

Organizational development is a process of continuous learning and improvement. It is not expected that all farmer organizations must meet every criterion described in this document. Rather, this guidance is intended to build a common vision of professionalism that can be used as a tool to inform and support different actors, including farmer organizations and the business development service providers, investors, funders, partners and others that work with them, to increase the professionalism of farmer organizations, leading to improved performance and value for members.

The guidance may be applied in a range of ways, including, but not limited to:

- supporting farmer organization members and staff (where applicable) to supervise and hold their organization and leadership accountable, and guiding staff to execute their day-to-day responsibilities;
- building confidence of buyers, suppliers, investors and others doing business with farmer organizations;
- directing and harmonizing the expectations and actions of providers of training, assessment, advisory, and other organizational and business development services for better efficiency and effectiveness;
- aligning the vision and interventions of stakeholders, including, but not limited to, government, non-governmental organizations, civil society organizations, service providers, donors, investors and capacity builders in their efforts to professionalize farmer organizations;
- encouraging active engagement with broader stakeholders.

Professional farmer organization — Guidance

1 Scope

This document gives guidance on the characteristics and best practices of a professional farmer organization.

This document is applicable to commercially oriented farmer organizations. It does not apply to purely socially oriented farmer organizations or individual farmers. It provides a common standard of professionalism for commercially oriented farmer organizations, which can serve as guidance to inform, harmonize, and complement existing and future organizational development and assessment processes.

This document is applicable to large and small farmer organizations, without regard to the number of members, volume of business, output or capital investment, nor to the specific crop or product. It can also be applicable, when adapted, for very small or nascent organizations, for specific or differentiated products or for markets with special requirements.

It does not address every capacity or aspect of professionalism that can be of importance to a specific customer or market, nor imply the need for uniformity in organizational type or structure.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <https://www.iso.org/obp>
- IEC Electropedia: available at <https://www.electropedia.org/>

3.1

farmer organization

cooperative

cooperative union

producer organization

producer association

farm marketing association

formal voluntary entity formed by or with farmers for business and/or other purposes, which can take any legal form and which provides services/benefits for its members, including, but not limited to, production, irrigation, processing and marketing of agricultural products (e.g. crops, livestock, animal products, forest products, aquaculture products, other member products), development and operation of rural folk crafts and products, leisure agriculture and rural tourism resources

Note 1 to entry: Farmers include small scale farmers, people who lease the land they use for agricultural purposes and farm workers.

Note 2 to entry: Farmer organizations can be known by different names in different countries.

3.2

board

board of directors

management committee

group of people mandated to assume legal responsibility to manage and/or oversee an organization

Note 1 to entry: The board can be known by different names in different countries.

3.3

supervisory committee

supervisory council

supervisory board

supervisory commission

control committee

audit committee

committee elected by the general membership or their representation (as prescribed in the organization's *by-laws* (3.10)) to act as an internal control mechanism on/or advisory role to the *board* (3.2) and management and which protects the interest of the members

Note 1 to entry: In some countries, the supervisory committee is more financially oriented.

Note 2 to entry: The supervisory committee can be known by different names in different countries.

3.4

quorum

minimum number or percentage of people required to be present in a meeting for votes or decisions to be taken

3.5

special meeting

extraordinary meeting

meeting that is not part of the regular schedule of meetings, but happens at any given moment to deal with unanticipated urgencies

3.6

member business ratio

ratio that measures the business transactions between a member and his/her *farmer organization* (3.1)

3.7

member equity accounts

member share accounts

means to administer capital and resources invested by the members of a *farmer organization* (3.1)

3.8

general manager

president

director

secretary

person who is hired or appointed to manage an organization's day-to-day business operations and finances, and to carry out the organization's policies

Note 1 to entry: The general manager typically reports to the *board* (3.2).

Note 2 to entry: The general manager can be known by different names in different countries

3.9

officer

person appointed, elected or nominated by the *board* (3.2) or members of a *farmer organization* (3.1), depending on the organization's *by-laws* (3.10), who acts in an official capacity to direct and/or govern the organization

EXAMPLE General manager, treasurer.

Note 1 to entry: An officer can be known by different names in different countries

3.10

by-laws

statutes

rules

constitution

membership agreement

rules documenting how an organization is governed and how the collective action of its members is regulated

4 Key performance areas and characteristics of a professional farmer organization

4.1 General

Professional farmer organizations should demonstrate the characteristics described in this clause, which is organized by key performance areas. These characteristics are intended to be specific to the level of performance expected, but expansive enough to apply to many forms of professional farmer organizations in varying value chains and operating environments.

4.2 Organization's purpose and governance practices

The professional farmer organization should be a formal, legal or registered entity. The organization should have written by-laws and a written policy to change/amend these by-laws.

Becoming a member of the farmer organization should be voluntary (not compulsory).

The board members and officers of the professional farmer organization should oversee the fulfilment of the commitment to comply with regulatory and legal requirements, including maintenance of required documents, licences and by-laws.

All members of a professional farmer organization should acknowledge, agree to and respect these by-laws and amendments.

The following should be documented, with proof of compliance, and should be periodically reviewed and updated as needed, and at least every five years:

- mission or purpose statement, which should also be used to guide organizational planning, priorities and decision-making;
- requirements/eligibility for membership;
- member rights and responsibilities;
- process/policy for election or appointment of governing/management bodies, including terms of office;
- governing/management bodies' duties and responsibilities;
- conditions/process for dismissal/removal and sanctions of members and officers;
- conditions for member meetings (when, notice, special meetings, quorum, required activities/topics at meetings and any voting procedures);
- formation, composition and responsibilities of any committees;
- capital structure and process for allocation of reserves;
- shareholding mechanisms;
- conflict resolution mechanisms/processes;
- requirements/conditions for dissolution of the organization.

See [Annex A](#) for a list of records which should be maintained.

An election process for leadership (e.g. board members and supervisory committee members) should be in place. The elections should:

- be competitive;
- be participatory;
- be based on a description of eligibility and desired qualifications;
- aim for full representation of the farmer organization's membership;
- be held regularly and, for members of the board and supervisory committee, at least every two to three years, with notice to members.

Election requirements and processes may also include:

- measures to promote underrepresented groups (e.g. women, youth, people with disabilities) in leadership positions;
- nomination and selection process;
- voting process;
- term limits and termination process;
- staggered terms to facilitate continuity.

Requirements and processes for board and committee meetings should address, but are not limited to:

- notice;
- quorum;
- special meeting procedures;
- committee purpose;
- required topics (agenda setting);
- minutes.

The professional farmer organization should have a mechanism in place to ensure ethical behaviour and to prevent and/or address conflicts of interest, corruption, discrimination, etc. among leadership, management, employees and members. This mechanism may be a standalone code of conduct or part of policy manuals, by-laws, etc.

4.3 Business management

4.3.1 General

The professional farmer organization should:

- prepare a medium term (three to five years) business plan (e.g. by applying a strengths, weaknesses, opportunities, threats (SWOT) analysis) and a detailed annual plan, with key performance indicators (KPIs) (e.g. economic, social and environmental KPIs) that assess and address social, ecological, cultural, environmental and financial risks, challenges and opportunities;
- conduct planning in consultation with members, and in accordance with operating policies;
- ensure plans are shared with members and are clear and easy for members to understand;