

European Organic Regulations (EC) No 834/2007, 889/2008 and 1235/2008

An Evaluation of the First Three Years
Looking for Further Development

MAIN SPONSORS



EDITOR AND PUBLISHER



European Organic Regulations (EC) No 834/2007, 889/2008 and 1235/2008

An Evaluation of the First Three Years
Looking for Further Development

Editor and publisher



Brussels 2012

Editor and publisher:



IFOAM EU GROUP
Rue du Commerce 124, BE - 1000 Brussels, Belgium
Phone : +32 2280 1223 - Fax : +32 2735 7381
info@ifoam-eu.org
www.ifoam-eu.org

Editors: Andrzej Szeremeta, Keith Ball, Francis Blake, Marco Schlüter and Lena Tuszynski

Editorial help: Alex Beck, Christopher Stopes, Jan Deane, Pino Lembo,
Sabine Eigenschink and Stephen Turner

Production support: Angela Morell Pérez and Lena Wietheger

Layout: Diana Jastrzębska, HeroldArt

Print: JCBGAM s.a.

Printed on Cocoon Silk, 100% recycled print paper

Printed 3500 copies

Electronic version available at www.ifoam-eu.org

Brussels 2012

List of used abbreviations

AGOF	Advisory Group on Organic Farming
CB	Certification body/Control body
the Commission	The European Commission
the Council	The Council of the European Union
DG	Directorate-General
DG AGRI	DG Agriculture and Rural Development
DG ENVI	DG Environment
DG MARE	DG Maritime Affairs and Fisheries
DG SANCO	DG Health and Consumers
EGTOP	Expert Group for Technical Advice on Organic Production
the EP	The European Parliament
the EU	The European Union
GMO	Genetically modified organisms
GOMA	Global Organic Market Access
GOTS	Global Organic Textile Standard
IFOAM	International Federation of Organic Agriculture Movements
IFOAM EU Group	International Federation of Organic Agriculture Movements European Group
the Parliament	The European Parliament
SCOF	Standing Committee on Organic Farming

Contents

Introductory note by Christopher Stopes, IFOAM EU Group President	4
Introductory note by Dacian Cioloș, EU Commissioner for Agriculture & Rural Development	5
1. THE DEVELOPMENTS OF ORGANIC REGULATIONS SINCE 2009	
1.1. The roles, objectives and achievements of the Commission in developing legislation on organic farming and production since 2009	6
1.2. Setting the scene – organic regulations since 2009 – views from the sector	8
1.3. A new EU logo for organic production – labelling of organic food	9
1.4. Aquaculture: successes and challenges of the new organic regulations	11
1.5. The European regulation on organic wine processing: a long debate and a political compromise to solve a long standing issue	13
2. THE NEW DECISION MAKING PROCESS AFTER THE LISBON TREATY	
2.1. Decision making after the Lisbon Treaty	15
2.2. Way to compromise – a few words from the Polish Presidency on alignment of the organic regulation to the Lisbon Treaty	16
2.3. Powers of the European Parliament within the Lisbon Treaty	17
2.4. The Expert Group for Technical Advice on Organic Production (EGTOP) of the Directorate General Agriculture and Rural Development (DG AGRI) of the European Commission	18
2.5. Adapting IFOAM EU Group advocacy work to the new EU treaty	19
3. CREDIBILITY OF ORGANIC PRODUCTION AND INTERNATIONAL TRADE	
3.1. Integrity and credibility of organic quality – it is all about meeting consumer expectations	21
3.2. Lessons from fraud cases in organic markets	23
3.3. How to prevent fraud in the organic sector?	24
3.4. The fraud case in organic discovered in Italy in 2011	26
3.5. Lesson learnt from the fraud case – “Gatto con gli stivali”	26
3.6. Improving the organic certification system – CERTCOST project recommendations on risk-based inspection systems	27
3.7. A summary of the different international standards and regulatory systems	29
3.8. Co-existence of private standards and public regulations	30
3.9. An evaluation of new EU rules for importing organic products – the viewpoint of certification bodies	32
3.10. New import regime: experience from ICEA	33
3.11. Import and international trade – maintaining trust among producers and traders	34
3.12. Experience of the Global Organic Market Access (GOMA)	36
3.13. Pesticides residues in organic food chain	37
4. CURRENT DISCUSSION ON DEEPENING OF ORGANIC RULES	
4.1. Extending EU rules on new categories of organic products	39
4.2. Flexibility, the unused option to move the organic regulation forward	40
4.3. Going towards 100 % of organic feed	42
4.4. Future of rules for organic processing and food – towards sustainability	44
4.5. Revision of EU organic rules for poultry production and rearing	46
4.6. Prospects for new European rules on organic greenhouses	48
Current European legislation relating to organic food and farming	51



Dear members and organic friends,

This dossier provides an overview of the state of play of European organic regulations and aims to stimulate debate on its future development. It is the third dossier on this topic from the IFOAM EU Group and follows *"The New EU Regulation for Organic Food and Farming: (EC) No 834/2007"*, and *"Organic Aquaculture. EU Regulations (EC) 834/2007, (EC) 889/2008, (EC) 710/2009"* published in 2009 and 2010 respectively.

We hope that this dossier will help ensure a better understanding of how the ongoing development of the regulation affects the organic sector. It is addressed to IFOAM EU Group members, competent authorities, control bodies, as well as to NGOs, journalists, researchers and all those interested in the organic sector.

Five years on from the publication of the organic regulation in 2007 we now have a better picture of its impact on the market and understand more about the strengths and the weaknesses of the regulation. We hope that this dossier will provide a valuable input to the evaluation and review of organic regulations and the European Organic Action Plan during 2012-13.

The organic sector is developing all the time, and EU organic regulations have also continued to develop – the first rules for organic aquaculture, for yeast and for wine have been introduced and a new system of import controls implemented. Organic operators and stakeholders have been part of these changes, and at the same time the sector is addressing new challenges such as the need to develop clear processing rules and the need for more detailed standards on poultry and greenhouse production. The need to maintain integrity and trust and avoid the risk of fraud will continue to drive the development of organic regulations.

Organic farming has always been a frontrunner in sustainable farm practices. This role has been recognised by EU policy makers since 1991 with the creation of the first EU regulation for organic food and farming, now organic farming is an established part of the Common Agricultural Policy (CAP), an acknowledgement of the role that an organic food and farming must play in the sustainable development of European agriculture. In face of the growing pressure on natural resources and environmental challenges such as soil erosion, biodiversity decline, climate change, the need for effective and sustainable farm practices becomes more and more obvious. Organic farming, with an EU wide standard and certification system in place, can play an important role within the CAP to both increase the proportion of farms using organic practices, but also as a laboratory to demonstrate the scope for improving the sustainability of non-organic farms.

Members of the IFOAM EU Group spend a huge amount of time reflecting on the organic regulation in great detail. We have evaluated its impact, debated improvements and assessed many ideas. These discussions have informed this dossier. The articles are all written by experts from the organic sector with varied professional and national backgrounds, taken together they offer a valuable insight into the organic regulation and its further, future development.

I would like to thank our expert authors and the IFOAM EU Group staff; together they have made this dossier possible. I also offer my sincere thanks for the financial support from our sponsors – without this support we could not have completed this important work.

The IFOAM EU Group will continue to work on the organic regulation, we will propose and publicise new approaches with the aim of improving the essential legal basis for the organic market in Europe. We will present our proposals and new concepts in future publications, in the IFOAM EU Group newsletter and on the homepage.

Through our work we aim to represent to the European authorities the needs and aspirations of organic consumers, farmers, processors and all other stakeholders to enable the sustainable and dynamic development of the whole sector.

Christopher Stopes
IFOAM EU Group President



Dear readers,

It gives me great pleasure to write a short introduction to this IFOAM EU Group dossier on how regulation has evolved in recent years. I do not wish to go into great details and cover the same ground as this booklet, but I do want to highlight a few points where we have been able to take things forward. I will also provide a few thoughts about the forthcoming reform of the EU's Common Agriculture Policy.

It is now nearly 2 years since the EU logo came into force – in other words the transition period until all organic products have to carry the EU logo is nearly over. Initial indications suggest that the logo already has relatively high recognition among European consumers – and our experts estimate that it has been a definite boost to the sector in this difficult economic time.

The second major achievement that I want to mention is the equivalency arrangement that we have reached with the USA. Given the rate of growth in demand on the US market – even more marked than in the EU – I am optimistic that this partnership will really facilitate exports and thereby contribute to further growth and jobs in the sector.

Thirdly, I am delighted that we have finally adopted rules for organic wine. These new rules will provide the legal and political certainty necessary to stimulate growth in the organic wine sector and provide consumers with organic wine bearing the EU logo they trust.

Lessons must be learned from the serious fraud case discovered in Italy in 2011. If rules on controls and enforcement can be improved, we will do it, and at the same time, together with the Member States, we will step up our efforts on supervision and enforcement to safeguard the integrity of the organic farming system. The Commission will also work together with stakeholders during 2012 to identify where the EU legal framework for organic farming can be improved or updated. The Report to the Council and the European Parliament on the application of Regulation (EC) No 834/2007 will offer an opportunity for a constructive exchange on the future of organic farming. The external evaluation of the regulatory framework on organic farming, whose results should be available by mid 2013, will further contribute to that debate.

Looking forward, my main priority for the coming year is to take forward the negotiations on CAP reform, with a view to reaching political agreement in spring next year – so that the new rules can actually apply from January 2014. As you will be only too aware, one of our main aims is to focus our policy on sustainability. Organic farmers have always been frontrunners of sustainable agriculture and this is why our proposals recognise this – not only in confirming that European organic certification is equivalent to the greening requirements for direct payments (the 1st Pillar), but also by clarifying the policy options available under our Rural Development policy (2nd Pillar). These are, with the exception of the newly introduced organic farming measure, not specific to organics, but there are many other elements in the proposals where your sector stands to gain, as with all forms of farming. Our proposed changes towards a fairer and more transparent use of direct payments – hopefully with the budget maintained at 2013 levels – is aimed at underlining the important role that farmers play and providing a new contract between farmers and society. Under the more flexible Rural Development programmes, we hope to encourage farmers to work more closely together, for example in Producer Organisations, and strengthen their negotiating position in the food chain. We want to facilitate tools such as mutual funds and insurance schemes which help farmers guard against market volatility. Another key part of the reform is the importance of fostering innovation and research in agriculture, where we are looking to double the budget for agricultural research funds. We are also strengthening advisory services and rural networks to facilitate knowledge exchange and the access of farmers to information and know-how. But, crucial to this, we are also seeking to improve the communication channels between farmers and researchers – in both directions – so that scientific progress can be transferred into practice much more quickly.

Best regards

Dacian Cioloș

EU Commissioner for Agriculture & Rural Development



1. THE DEVELOPMENTS OF ORGANIC REGULATIONS SINCE 2009

1.1. The roles, objectives and achievements of the Commission in developing legislation on organic farming and production since 2009

Herman Van Boxem

Herman Van Boxem, Organic farming policy coordinator, European Commission, DG Agriculture and Rural Development, Unit H.3 Organic Farming, herman.vanboxem@ec.europa.eu, www.organic-farming.eu

■ Role and objectives of Regulation (EC) No 834/2007

Like its predecessor, Council Regulation (EEC) No 2092/91, Regulation (EC) No 834/2007 set up primarily as an internal market and consumer protection regulation, describes the organic production standards and the control and labelling requirements.

In 2004 in its European Action Plan on Organic Food and Farming, the Commission assessed the situation and laid down the basis for policy development in the years to come.

In 2005 work to review the legal framework started, finally leading to Council Regulation (EC) No 834/2007 of 28 June 2007, providing the new basic act of the organic legislation, outlining objectives and principles of organic agriculture and fixing general production rules. The Commission subsequently adopted implementing regulations: Commission Regulation (EC) No 889/2008 completed the standard with detailed production rules, labelling rules and control requirements and Commission Regulation (EC) No 1235/2008 implemented the new import regime.

Since 2009 the legislative framework has been further completed with two major missing blocks, i.e. production standards for aquaculture (2010) and for wine production (2012). Further work to refine the rules on poultry, greenhouse production, certain aspects of food processing and feed production and labelling is underway.

■ Is Regulation (EC) No 834/2007 achieving its objectives?

This article will not undertake to answer the question whether the Regulation has achieved its aims expressed in its Article 1. The Commission is launching a proper external evaluation in

2012 to provide answers to that question. Some preliminary comments can nevertheless be made on whether the Regulation is achieving its goals.

Sustainable development of organic production.

Since the harmonised EU legal framework was established, organic farming has developed quite quickly in the European Union. Therefore it can be reasonably assumed that farmers and food producers were sufficiently ensured that a stable legal framework was underpinning their intentions to switch over to organic farming and food production. And indeed most observers would agree that the legislation provided a solid basis for a balanced development of organic production in the European Union.

Effective functioning of the internal market.

Before the Regulation came into existence the market was governed by a multitude of sets of private organic standards and increasingly by national organic standards. To a great extent, setting up the EU legislation in the form of a Regulation directly applicable in all Member States solved this situation and improved the free circulation of organic products on the internal market. There is now only one single governmental standard valid for the whole EU. The effective functioning of the internal market is best symbolised by the obligatory new EU organic logo to be used from 1 July 2010.

Fair competition.

By harmonising the production requirements all over the European Union the Regulation also provides adequate basic conditions for fair competition. However, varied reading and interpretation of the EU legislation by the national authorities or by the control bodies are still being reported regularly. This indicates a need for further harmonisation and common understanding of the concrete implementation of some of the rules throughout the Union, by the 27 competent authorities and the almost 200 control bodies active in the EU.

The developments of Organic Regulations since 2009

Protecting consumer interests.

The legislation provides legal certainty to consumers that when a product is labelled as organic, it is effectively produced according to the production standards of the EU. The legislation also requires that appropriate official controls are carried out by the Member States and that action is taken against irregularities, infringements and fraud or unjustified use of the logo and the protected terms organic, bio and eco in all EU languages.

Recent fraud cases have once more underlined that controls need to be further improved through better risk analysis, increasing the number of unannounced visits, generalisation of electronic certificates and use of secured data bases, activation of precautionary measures, to name a few possibilities that are currently being explored.

Achievements

Looking at the main areas, this is what the track record of the Regulation looks like.

Standard setting tools

The official Expert Group on Technical Advice on Organic Production (EGTOP) was set up and started its activities in late 2010. In 2011 it delivered reports to the Commission on feed, fertilisers and plant protection products. They are published on the Commission's Organic Farming website¹. In 2012, work started in order to obtain technical advice on poultry, food processing and greenhouse production.

Plant production

The Regulation contains a set of production rules that can be applied to all crops. It includes lists of approved fertilisers, soil conditioners and plant protection products. A mechanism regulating the use of non-organic seeds when organic seeds are unavailable is foreseen. Since 2009, detailed production rules on aquaculture plants (seaweed) have been added.

Livestock production

Apart from detailed production rules on most current terrestrial animal species, the Regulation has been completed with detailed production rules on aquaculture animals (fish farming). In 2012, transitional rules on the use of a small portion of conventional feed for non-ruminants will be finalised as well as a revision of the feed production and labelling rules.

Processing

The Regulation provides a list of allowed additives and processing aids for the organic food industry in all its diversity.

Even some smaller sectors are now covered, such as yeast production. In 2012 the long awaited rules for organic wine production filled an important gap, using the results of the ORWINE project after a long and difficult debate.

Labelling and logos

In 2010 the new EU organic logo was launched symbolising the unique set of legal organic rules valid all over the EU. The use of the "organic leaf" was made obligatory for domestic pre-packed products and optional for imported products. It can be accompanied by national or private logos and must be accompanied by the code of the responsible control body and by an indication of the place of farming.

Controls

The Regulation outlines detailed control requirements for each production sector. To explain the articulation with the official EU food and feed control system rules, a working document 'Guidelines for controls in organic production' was published on the Commission's Organic Farming website. To increase transparency, Member States will be obliged from 2013 onwards to publish the list of organic operators and of their certified products.

The discovery of a large scale fraud case in Italy in 2011 has once more underlined the vital importance of an effective control system and the need to permanently develop and adjust the control system to the experience gained.

Imports and exports

On the international front, progress has been made since 2009 with the inclusion of Tunisia, Japan, Canada, and the United States in the list of third countries considered to be equivalent, now totalling 11 third countries. All third country inclusions since 2009 are reciprocal equivalency arrangements; in addition the EU and the United States signed up to a unique partnership on technical collaboration.

Finally, the first list of control bodies for the purpose of equivalence was published in 2011 and will be further completed and updated in 2012.

¹ http://ec.europa.eu/agriculture/organic/home_en, <http://www.organic-farming.eu>



1.2. Setting the scene – organic regulations since 2009

– views from the sector

Keith Ball

Keith Ball, Regulation Advisor, IFOAM EU Group, Keith.Ball@ifoam-eu.org, www.ifoam-eu.org

The new Organic Regulations (EC) No 834/2007, (EC) No 889/2008 and (EC) No 1235/2008 replaced Organic Regulation (EEC) No 2092/91 and came into force in January 2009. This article summarises the changes since then.

The first changes were introduced even before Regulation (EC) No 834/2007 had come into force. This was due to the fact that the logo as presented in regulation (EEC) No 2092/91 was too similar to those in place for protected geographical indications. Council Regulation (EC) No 967/2008 in September 2008 provided for a further year and a half to enable a new logo to be designed.

Since then the implementing rules have been changed many times. The first was Regulation (EC) No 1254/2008, which defined the implementing rules for organic yeast, as required by Article 1.2 of Regulation (EC) No 834/2007. This required that only organic raw materials be used for growing organic yeast, but up to 5% non organic yeast extract was permitted until the end of December 2013. Yeast must be calculated as an agricultural ingredient from January 2014, and this will encourage the use of organic yeast. This regulation also brought in requirements on colouring of egg shells for festive occasions and required that in-conversion livestock feed can only come from the producing holding. This encourages farmers to convert by allowing in-conversion forage to be fed without restriction on their own farm, whilst also providing the beneficial effects of forage production on soil fertility during the organic conversion.

Regulation (EC) No 710/2009 followed and further develops this, by extending the existing rule to include allowance for conventional protein crops from the first year of conversion to be fed as part of the in-conversion feed allowance. The in-conversion issue is however only a small part of Regulation (EC) No 710/2009. Its main focus is aquaculture. For the first time detailed rules were established for organic fish and other aquatic animals as well as for organic seaweed. The main species of farmed fish were included along with requirements for water quality, stocking density etc. This Regulation enabled production, processing and sale of aquaculture products bearing the EU logo for the first time and has resulted in a very dynamic sector. Further developments, including expansion to other species of fish are needed, both fresh and salt water and Regulation (EC) No 710/2009 provides a basis for that development.

Three months after publication of the implementing regulation, Regulation (EC) No 1235/2008 introduced a process of massive changes for importing that have been under continuing development since then involving several important amendments. Regulation (EC) No 1235/2008 came into force on the same date as the implementing regulation but most of the changes it introduced are still in the process of coming into force. Many of the changes have been amendments to the list of approved third countries or their certifiers. Of these, the major ones so far have been the addition of Japan and Canada to the list. The recent announcement of the equivalence agreement between USA and EU standards is outlined in Regulation (EU) No 126/2012. The subject of importing will be discussed in detail in other articles in this dossier. IFOAM EU Group has been active with other stakeholders including the European Organic Certifiers Council (EOCC) in highlighting both the urgency of resolving the new approach to controls as well as pressing for improved transparency.

Commission Decision 2009/427/EC sets up an expert group for technical advice on organic production (EGTOP), a committee to provide advice to the Commission on technical aspects of organic production standards.

Following the withdrawal of the logo presented in regulation (EEC) No 2092/91 a revised logo was prepared. A public competition was held and three designs were chosen. The winner was the now familiar mandatory logo, the leaf of stars, published in regulation (EU) No 271/2010. This regulation also revises the certification code to the standard format of AB-CDE-999. Details of use of the logo were published at the same time in the very useful Commission manual at: http://ec.europa.eu/agriculture/organic/files/eu-policy/logo/user_manual_logo_en.pdf.

A further amendment was enacted in April 2011, as Regulation (EU) No 344/2011. In particular, it solved a problem caused by Regulation (EC) No 889/2008 for the wine sector. The amendment made it possible to continue to sell wines labelled prior to 2009 until those stocks are exhausted. Regulation (EC) No 344/2011 also allowed the antioxidant, rosemary extract, to be used. In a far-sighted move this was allowed only in organic form. However, it also included the condition that only product extracted with ethanol could be used, which prevented the use of the most common and effective form

The developments of Organic Regulations since 2009

of extraction using carbon dioxide. SCOF re-examined this in 2011 and have decided that carbon dioxide extracted organic rosemary extract should be allowed. Regulation making this change should be announced shortly. These points were raised with the Commission by the IFOAM EU Group.

Regulation (EU) No 344/2011 was followed quickly by Regulation (EU) No 426/2011 that brings in requirements for publication of details of certified operators. This builds on the requirement of Regulation (EC) No 834/2007 for lists of operators to be available to interested parties and requires that Member States will make those lists public, with the exception of information covered by data protection legislation.

Finally the implementing rules on organic wine, the subject of massive work by the organic sector, including the IFOAM EU Group, were finally published as Regulation (EC) No 203/2012. Their publication is welcome and the detailed rules for making organic wine come into force in August 2012.

Several issues remain on the agenda for EGTOP, the Commission and SCOF. Currently those issues include feed, fertilisers, poultry, greenhouse, food processing and import.

The new regulations have been developed since their publication. The IFOAM EU Group welcomes improvements and extension of the scope of Regulation (EC) No 834/2007 as well as development of new implementing rules adopted

following publication of Regulation (EC) No 889/2008 and Regulation (EC) No 1235/2008. Adoption of those regulations in 2007 and 2008 has introduced important improvements when compared to Regulation (EEC) No 2092/91 in that they have provided modified, updated and better presented rules for organic food production, control, certification and labelling. The IFOAM EU Group welcomes these changes and continues to actively monitor how the new EU organic logo and all the new rules on are being implemented at the national level and their impact on the whole organic sector.

The Commission report to the European Parliament and the Council on application of the Organic Regulation (EC) No 834/2007 is expected to be published by the end of May 2012. As announced, it will focus on import, controls, GMOs, simplification and to address challenge of standards improvement in cases where some Member States cannot progress. We do not expect it to address specific production rules. This report will start a public debate and evaluation of the organic regulation planned by the Commission. After only five years since the publication of the new Regulation (EC) No 834/2007 it is essential to have a period of stability and security for operators, so substantial revision is not foreseen in the near future. However, the IFOAM EU Group will play an active and leading role to ensure that the evaluation and review effectively respond to challenges faced by the whole organic sector in Europe.

1.3. A new EU logo for organic production – labelling of organic food

Cécile Lepers, Claire Largier, Alex Beck and Andrzej Szeremeta

Cécile Lepers, Managing Director, SYNABIO, www.synabio.com; Claire Largier, Regulation Coordinator, SYNABIO, clairelargier@synabio.com, www.synabio.com; Dr. Alexander Beck, Managing Director, Association of Organic Food Producers (Assoziation ökologischer Lebensmittelhersteller - AoEL), alex.beck@aoel.org, www.aoel.org; Andrzej Szeremeta, Food Legislation Coordinator, IFOAM EU Group, Andrzej.Szeremeta@ifam-eu.org, www.ifam-eu.org

■ The new EU organic logo vs national and private organic logos

Before the introduction of the new obligatory EU logo, some national authorities had developed national organic logos for organic products complying with the EU organic regulation. It may appear that we do not need those national logos anymore, as there is now a compulsory EU logo for those products and national logos must have the same meaning. However, IFOAM EU Group recommends keeping those national logos on the products where consumers are used to them and have trusted them for a long time. Continuation will associate those well-known logos closely with the new EU logo to help consumers understand that the two logos are equivalent. Such initiatives have successfully been conducted, for example in Germany

with the Biosiegel, and in France with the AB logo. The fact that the green pantone of the EU logo can be adapted to the one of the national logos, where both colours are close helped in both cases. Despite these initiatives, communication campaigns on the new EU logo are still needed. In 2010, in France only 24% of consumers recognised the new EU logo, whereas 87% of them knew the AB national logo¹.

There are a number of concerns regarding the use of the EU logo. In particular there has been confusion over whose certification code should be on a product if it is produced for a brand owner. In most states it is understood that all products should carry the certification code and logo, if appropriate, of the certifier who certified the final production and packaging of the product. However, in some cases this is hidden by the



use of the certification code and logo of the certifier of the brand holder. This confusion should be cleared.

IFOAM EU Group is also concerned about the current requirements for origin labelling. In particular, the phrase EU/Non EU agriculture, which appears on many products of mixed origin, means nothing. Further, in some cases where supply can vary throughout the year causes operators to add a small amount of non-EU derived ingredients, just to maintain the truth of the EU/Non EU statement, rather than use two different lots of packaging.

The requirement also creates misleading labelling for some products that also carry a “Protected Designation of Origin” (PDO) claim. For example, a specific sausage produced in a specific part of Germany that is able to carry a PDO must still carry the phrase EU/Non EU agriculture where it contains over 2% of herbs and spices from outside the EU. This is clearly nonsense and brings the current requirement for origin labelling on organic foods into disrepute.

In addition to the organic national logos existing in some countries, private logos have developed throughout Europe. Those private logos can be company logos or collective private logos and their purpose is to add value to the products due to efforts in addition to or beyond the EU regulation. They can either be based on specifications of the product that are not in the scope of the organic regulation (for example the choice of some ingredients, the recipes, the packaging, the partnership with producers) or on production rules going further than the requirements of the organic regulation (for example more detailed or stricter rules for housing areas for animals, or other additional animal welfare requirements). Another private logo may be used to identify that the product is produced and/or processed by operators who are 100% dedicated to organic production. Those private logos have a vital role in presenting explanations for consumers to make the differences very clear. They are only relevant if consumers fully understand the added value behind them. Some examples of private logos include Biogarantie in Belgium, Bioland and Naturland in Germany and the Soil Association in the UK.

Our common goal must be to make the EU logo well known in Europe. The EU regulation is already a very high standard, even if many want to improve it over the long term, so the use of national or private logos and the promotion of those private labels should, in no case, denigrate the EU logo.

■ Other logos challenging the organic EU logo

The organic sector has always had a holistic approach to food quality, addressing environmental issues as well as nutrition,

GMOs and animal welfare. This is based on the systems approach of organic farming which is a huge strength of the organic movement. However, new, single-issue approaches have developed and others might develop in the future, threatening the credibility of the EU logo. Examples of these include the EU Ecolabel, GMO free, fair trade, animal welfare and carbon neutral labelling. Some of the criteria related to those labels are covered in the EU regulation, but others are not. Of course, organic products may not meet all those standards, but in order to prove that the organic model is the road to sustainability in the food chain, our regulations must adapt to those challenges. For example, IFOAM EU Group is examining the possibility of introducing further requirements for monitoring the ecological performance of operations involved in organic processing and trade, in order to close this gap in the organic regulation and keep the organic concept the most advanced production concept even in terms of environmental orientation. In addition to the organic label there is a competing concept in the EU – the EU Ecolabel. Recently there was political debate on the extension of the EU Ecolabel to include food. After the feasibility study prepared by the Commission, further debate has been postponed until the Commission report on Sustainable food, planned for 2013.

In some countries “GMO free” labelling raises the issue of analytical thresholds that the operator must fulfil to prove that his product is GMO free. The organic production system forbids the use of GMOs throughout the production chain so consumers assume that organic products are indeed GMO free. In some countries organic products are labelled GMO free. GMO free labelling concepts are evolving based on national legislation causing differences in the underlying technical concepts of exclusion of GMOs and products of GMOs. Sometimes the requirements for GMO free labelling are quite different to requirements for organic labelling. To avoid confusion it is important to harmonise the requirements for GMO free labelling among the EU member states and with the requirements for organic production in terms of GMO exclusion.

■ Use of the organic logo

IFOAM EU Group published its organic logo dossier “10 Questions and Answers to the new organic production logo of the European Union” in June 2010. It is available at: <http://www.ifoam-eu.org/positions/publications/logo/>. This dossier provides information on the use of the organic logo and additional specific requirements for organic food labelling. It along with the points raised in this article will form the main thrust of the IFOAM EU Group’s work on developing the regulation regarding labelling in the near future.

1.4. Aquaculture: successes and challenges of the new organic regulations

Jörn Steffen Gieseler, Kim Bedford and Michael Boehm

Jörn S. Gieseler, Marine Biologist (Dipl.), Institute for Marketecology (IMO), Dept. Aquaculture & Fisheries, jog@imo.ch, www.imo.ch; Kim Bedford, Institute for Marketecology (IMO), www.imo.ch; Michael Boehm, Coordinator, Organic Regulation, Market Studies and Surveys, Inter Bio Bretagne, contact@interbiobretagne.asso.fr, www.interbiobretagne.asso.fr

EU rules for organic aquaculture were introduced by Regulation (EC) No 834/2007 and detailed implementing rules in Regulation (EC) No 710/2009, amending the new implementing rules Regulation (EC) 889/2008. The aim was to harmonise certification and inspection of organic aquaculture by establishing common rules across the EU. For the most part this aim has been met, but in some critical areas common production rules are still needed, two and a half years after 710/2009 was published. Early experience has shown that the regulations are easier to comply with for larger, more industrial operators than for small, traditional operations. One reason is the influence larger operations can have on the supply chain in their region, for example, by putting pressure on feed or stock suppliers to produce organic products. The burden of control and certification costs is also greater for smaller producers.

■ Implementation of the new regulations

Transition period 2009-2013

The new regulations state that: *“The competent authority may authorise for a period expiring on 1 July 2013, those aquaculture animal and seaweed production units which are established and produce under nationally accepted organic rules before entry into force of this Regulation, to keep their organic status while adapting to the rules of this Regulation”*. Thus operators who were certified according to nationally recognised organic rules before the new regulations came into force could apply for a transition period allowing them to adapt to the new regulations while keeping their organic status. This transition period was necessary due to the issues to be clarified by stakeholders (including CBs, accreditation bodies (ABs), competent authorities and private labels). This approach seems to have worked well and has allowed organic aquaculture operations time to adapt to the new requirements. The majority of private label organisations (e.g. Naturland and Bio Suisse) have also been proactive in adapting their standards or communicating the differences between the new organic regulation and their respective standards to stakeholders. Problems still arise with products that do not clearly fall within the scope of Regulation (EC) No 834/2007 but were previously certified under nationally

recognised organic rules (e.g. Cyanobacteria). These products currently fall under Article 95 of Regulation (EC) No 710/2009 (application of transition period). After the end of the transition period products not in the scope of EU organic regulation could be produced only according to private standards and the EU Organic logo cannot be used. Clear interpretation of what falls in the scope of organic regulation is needed.

Non-availability of organic stock

According to Regulation (EC) No 889/2008 the use of conventional aquaculture stock is allowed only under certain conditions and has to be progressively reduced within defined time frames (Article 25d and 25e). The use of conventional stock has to be reduced to 80% by 31st December 2011, to 50% by 31st December 2013 and to 0% by 31st December 2015. However, the market for organic stock has not yet developed to this level. Progress has been achieved since implementation of the new regulations and maturation and hatchery operations continue to increase their efforts towards compliance. In the case of several important aquaculture species such as Tiger Prawns, (*Penaeus monodon*), Gilt-Head Bream (*Sparus aurata*) and European Sea Bass (*Dicentrarchus labrax*) the current supply of organic certified stock is not yet sufficient and in many operators may not meet these deadlines. One solution could be to allow operators more time to source certified stock in these areas.

Hatcheries

Hatcheries are covered in the scope of the new regulations, and must be inspected and certified. However, there are very few specific requirements included in the regulations and the interpretation of activities carried out by hatcheries are not covered (e.g. broodstock and ova treatments, stocking densities, hatchery-specific health issues). This creates difficulties for producers wanting to achieve compliance with the regulations but not having any clear guidelines to comply with. In many cases, where requirements are not defined or do not apply to hatcheries, the responsibility falls to the competent authorities or CBs to interpret the intention of the regulation.



Sources of feed ingredients – what is a sustainable fishery?

One fundamental principle of organic production is that the impact on the surrounding environment should be minimised, an important part is complying with the principle of sustainable exploitation of fisheries. Article 25k of Regulation (EC) 889/2008 recognises that organic feed is not yet available in many countries outside the EU and states that where organic feed ingredients or trimmings from organic aquaculture are not available, trimmings from fish caught for human consumption in a sustainable fishery may be used. The term sustainable as defined by Regulation (EC) 2371/2002 Article 3(e) is not sufficient as there is no clear guidance on confirming compliance with the requirements, so it is difficult to identify compliant sustainable sources of feed ingredients, and unlikely that CBs handle this issue consistently. It is more difficult for local, traditional fisheries in non-EU countries to prove compliance with the definition of a sustainable fishery, although the exclusion of ingredients sourced from these fisheries for organic certified feed appears to contradict the basic principles of the regulations.

Microalgae, Cyanobacteria

The scope of organic regulations does not include the production of Cyanobacteria (e.g. *Spirulina*). These are often commercially called “microalgae” although the term should be more correctly applied to true microalgal species such as *Chlorella*). As Cyanobacteria are not covered by the organic regulations, their production for human consumption cannot be inspected and certified according to the new organic regulations but they may be certified as a feed ingredient for organic aquaculture production. EU member states and private label organisations have interpreted the issue of whether Cyanobacteria products for human consumption are within the scope of Regulation (EC) No 834/2007 differently.

Seaweed

Regarding organic seaweed production, there are two main areas of difficulty in the new organic regulations. Coastal waters where organic seaweed is grown must be of “high ecological quality”, as defined by Directive 2000/60/EC. However, some competent authorities have not yet completely defined these areas or have had difficulties in applying the water framework directive (WFD 2000/60). This problem is particularly difficult for producers outside the EU, where analysis of the ecological quality of coastal waters has not always been carried out. Equivalency with European directives must also be considered. The other main problem is the requirement of Article 13.1.b of Regulation (EC) No 834/2007 which states that “...the collection does not affect the long term stability of the natural habitat or the maintenance of the species in the collection area.” Although this requirement is further clarified in Regulation

(EC) No 889/2008, it is difficult for seaweed harvesters to prove that there is no negative impact on the ecosystem. Scientific support and precise monitoring is needed to evaluate impacts correctly. Additionally, there is no common interpretation of the organic regulation between seaweed for food and non-food (aquaculture feed, cosmetics etc.). Some rules are related only for food, leaving imprecise rules for collection and production of seaweed for other use.

Communication between stakeholders

The implementing rules require competent authorities to define additional requirements when necessary. This can apply to topics such as auditor qualifications, criteria for transition periods, and allowable treatments in aquaculture operations. There seems to be confusion among all stakeholders over which criteria must be further defined, who will define them and how they should be defined. Work by competent authorities to implement these additional requirements is ongoing more than 18 months after the regulations came into force. In some cases no requirements have been defined leaving CBs and ABs to decide how to apply the new regulations in these cases. Unfortunately, the lack of clear guidance from the commission has increased the risk that guidelines are applied differently in different Member States.

Proposed revision of EU organic regulations

The first revision of the new organic regulations is planned for 2013. It is an opportunity to address the problems left from the regulations’ implementation, some of which have been described above. While most stakeholders would welcome clarification of these points, some producers are concerned that requirements may be changed after they have already been implemented. Further concerns from stakeholders should be considered, including: the certification of resource-intensive carnivorous species and the corresponding sustainability issues, social and economic aspects of aquaculture, the transport of seafood and aquaculture production inputs (e.g. feed) around the world, and the reduction of the carbon footprints/food miles generated by organic aquaculture.

1.5. The European regulation on organic wine processing: a long debate and a political compromise to solve a long standing issue

Alessandro Triantafyllidis, Cristina Micheloni and Uwe Hofmann

Alessandro Triantafyllidis, President of AIAB, a.trianta@aiab.it, www.aiab.it; Cristina Micheloni, AIAB vice-president, c.micheloni@aiab.it, www.aiab.it; Dr. Uwe Hofmann, General Manager of Eco-Consult, Standard committee member of ECOVIN, uwe@eco-consult.net, www.eco-consult.net; www.ecovin.de

In 1992, when the first European regulation on organic farming was published, wine was kept waiting for its own specific regulation. At that time, the common understanding was that the Commission would soon publish a dedicated organic wine regulation. A decade passed without any specific regulatory action while several other products were progressively included in the scope of the organic regulation: processed food, animal husbandry and, in the last year, aquaculture, seaweeds and yeast. Since 2000 several non-EU countries started to regulate organic wine making (USA, Australia, Canada etc.), therefore urging a position from Europe where an important part of organic wines are produced and exported.

The Commission launched several attempts to get to a common regulation but it was clear to all how difficult it was to tackle the issue without raising loud and differentiated oppositions within the organic movement and from the conventional sector. The difficulties were as follows: a) wine in Europe is produced in many areas, different from each other and is based on diverse local traditions and in many different ways showing both the richness and the potential of European wine sector; b) the wine image and marketing strategies, especially in Europe, are largely based on “authenticity” and “naturalness”, and to define what organic wine is means that all the other wine “is not organic”, so threatening the general appeal of conventional wine; c) the long standing debate that is taking place in Europe between wine produced in family farms by handicraft wine makers (vignerons) and the industrial processors. The interests of the two parts are divergent and just as those differences heavily influenced the CMO (Common Market Organisation) discussion of it also slowed down the finalisation of the organic regulation.

To find a way out, in 2005 the Commission decided to launch a call for a research project to scientifically support the development of the regulation and the ORWINE consortium (www.orwine.org), coordinated by AIAB, was selected by the Commission. The project ran for 3 years (vintages) and involved in total 11 partners, some of scientific background, some experienced in the practical implementation of

wine making and having direct contacts with producers and a company experienced in technology transfer and dissemination. It was an innovative and challenging cooperation between researchers, organic wine growers and wine makers, consumer representatives and policy advisors. The recommendations, scientifically developed and vigorously discussed within the project frame, offered the basis of the approved regulation, but even then the way was not straightforward. ORWINE gave preliminary conclusions to the Commission at the end of 2008 and finished its work in spring 2009, with recommendations for the Commission and the member states.

The Commission presented their working document in 2009. The Regulation should have been issued in the summer of 2010 but a strong disagreement between Member States on the limits of sulphites convinced the Commissioner to stop the negotiation and suspend any decision.

After several unsuccessful mediation attempts the regulatory process restarted in 2011, with an important role played by the IFOAM EU Group and the European Organic Wine Carta (an initiative launched by private associations, standard setting organisations and certification bodies from France, Spain, Switzerland and Italy, www.organic-wine-carta.eu). The result is a political compromise, based on the scientific outcomes, but adapted to the urgent need for an acceptable definition of what today in Europe is considered the minimum requirement for organic wine.

The new implementing rules for organic wine processing were published as Regulation (EU) No 203/2012 in the Official Journal of the European Union, March 9, 2012. They apply as of August 1, 2012.

■ The regulation in brief

First of all, the grape! It may sound obvious but organic wine must be produced from organically produced grapes and it is important that the regulation allows the organic grapes that becomes wine to be clearly labelled as such with the EU logo.



For the processing phase, the regulation defines allowed, limited and prohibited techniques. An important new point is the fact that also physical processes that are “potentially misleading regarding the true nature of the organic products” should be excluded, even if those processes are not risky in terms of residues. Therefore, the new regulation prohibits partial concentration by cooling, partial dealcoholisation, elimination of sulphur dioxide by physical process, electro-dialyses and the use of ion exchange on wine. It also restricts techniques such as thermal treatment to 70°C, centrifuging and filtering with pore size smaller than 0.2 micrometer (ultra- and nano-filtration are not allowed).

For the time being, as no alternatives are available, heat treatments and the use of ion exchange resins for the rectification of concentrated musts and reverse osmosis are allowed, but with a review by 2015.

Concerning additives and processing, about half of them allowed in conventional wine making are allowed for organic wines. All those of natural origin (plant, mineral or microbiologically based and non-GMO) are allowed, while the potentially dangerous, non-essential and synthetic ones are forbidden, or restricted if no alternative exists. For example, PVPP, DMDC, ammonium sulphate and di-sulphate, mannoproteins, carboxy-methyl cellulose, sorbates, and enzymes such as urease, lysozyme and betaglucanase are not allowed, even if of natural origin.

A special chapter is dedicated to sulphites. Maximum limits have been set, 50mg/l lower than conventional wines for all wine types (red, white and rosé) with a residual sugar content lower than 2g/l (as sum of glucose and fructose only), while for all other wines there is a decrease of 30mg/l of sulphites compared to the conventional wine limit. The innovative solution of the definition of a new category of wines (below 2g/l of residual sugar) allowed this technically acceptable compromise.

■ Organic wine

The new implementing rules on organic wine production have the advantage of a clear differentiation between organic and non-organic wines and finally allow organic wines to use the EU organic logo. It gives an opportunity to build on the positive image of organic wines as coming from living, healthy soil, produced under organic principles (organic fertilisation, cover crop management, organic plant protection). Organic wines also respect traditional wine making practices and treatments with a limited number of additives allowed in organic wine making. This means that organic wine is made with a low input of energy, as energy intensive physical treatments, which mislead the true nature of the wine, are forbidden.

■ An assessment of the regulation from the Italian point of view

From the Italian producers and consumers point of view, the approved regulation is an important achievement. After so many years, more than 50,000ha of organic vineyard will be allowed to label as organic the product of the grapes they grow. In the last years the weak market position caused by the absence of a common definition and logo gave competitors a big advantage, both on the domestic market (“natural”, “terroir” and “authentic” wines especially). In the international arena wines from countries where organic wine regulations were already established had higher potential.

The Italian producers hoped for a more ambitious regulation, particularly on enrichment, on the list of additives and on limits for sulphites but we welcome the compromise. We call for close monitoring of the implementation in the coming years and for an ambitious and technically sound revision as soon as producer perceptions and capacity allow.

■ Impact foreseen from the point of view of German organic wine growers

The organic wine sector from northern-central Europe was not satisfied with the ideas for limitation of sulphites as it was considered that the practice of processing wine with SO₂ is carried out responsibly by organic winemakers in all countries and its use is due solely to geographic and climatic conditions. Similarly the use of sulphite in the wine making process is not a fitting characteristic by which to differentiate between organic and non-organic wines, as the grapes for each are grown under identical circumstances rendering sulphurisation necessary.

However, the current proposal is an acceptable compromise between the different traditional wine making practices. The sulphites issue will remain a challenge for some organic wine producers in some central European countries. Of these, it is predominantly the producers of high quality red wine, many of whom have increased the positive image of organic wine in the last decade, who see severe problems with microbial and sensorial stabilisation of their wines. Some producers might need to modify production processes to keep the quality of the wine, with the limited sulphites level and limited list of oenological practices, treatments and substances allowed in organic wine production.

To evaluate how the rules are working and to give a scientific basis for a re-evaluation, we propose a mandatory monitoring in every Member State of the use of sulphur dioxide and for all other additives and oenological practises allowed in organic wine making.

2. THE NEW DECISION MAKING PROCESS AFTER THE LISBON TREATY

2.1. The decision making after the Lisbon Treaty

Maria Fladl

Maria Fladl, Policy Officer, Organic Farming - Policy and Regulation, European Commission DG Agriculture and Rural Development, Unit H.3, maria.fladl@ec.europa.eu, www.organic-farming.eu

The EU treaties, and notably the Treaty on the Functioning of the European Union commonly known as the “Treaty of Lisbon”¹ built the basis for all EU action, and it lays down the role and the involvement of the EU institutions in the decision making process for EU legislation. All regulations, directives and decisions are based on the principles and objectives set out in the treaties.

■ Ordinary Legislative Procedure

The Treaty of Lisbon provided more power to the European Parliament and enlarged the EU standard decision making procedure known as the “Ordinary Legislative Procedure”(OLP) also to legislation related to the Common Agricultural Policy (CAP). The organic farming legislation is part of the CAP and its Regulation (EC) No 834/2007 sets up objectives, principles and the general production rules for organic farming.

Any changes, amendments of Regulation (EC) No 834/2007 will now be decided under the new OLP meaning that the directly elected **European Parliament has to approve EU legislation together with the Council** (the governments of the 27 EU countries). The European Parliament and the Council review proposals by the Commission and usually propose amendments. The Council and the Parliament agree upon amendments either in a first or second reading process. If the two institutions agree on amendments, the proposed legislation can be adopted. If they cannot agree, a conciliation committee tries to find a solution. Both the Council and the Parliament can block the legislative proposal at this final reading. National parliaments can formally express their reservations if they feel that it would be better to deal with an issue at national rather than EU level.

The **Commission initiates, drafts and implements EU legislation**. Before the Commission proposes new initiatives it assesses the potential economic, social and environmental consequences that they may have. It does this by preparing ‘Impact assessments’ which set out the advantages and disadvantages of possible policy options. Interested parties such as non-governmental organisations, local authorities and representatives of industry and civil society are consulted.

Groups of experts give advice on technical issues. In this way, the Commission ensures that legislative proposals correspond to the needs of those most concerned and avoids unnecessary red tape.

■ New Commission empowerment

In certain areas of EU legislation the Commission has the power not only to initiate but also to adopt regulations, directives or decisions. In organic farming, the example of such conferred Commission powers is Regulation (EC) No 889/2008, which sets up the detailed rules for organic production, labelling and control including positive lists of authorised farm inputs.

The Lisbon Treaty has also modified these Commission powers. Instead of one standard decision-making procedure, Articles 290 and 291 of the Treaty provide the basis for two procedures either under delegated power (Article 290) or implementing power (Article 291). The Parliament and the Council got the power to oppose Commission delegated acts.

• Delegated acts

may be adopted for provisions which supplement the basic act (Regulation (EC) No 834/2007) by certain non-essential elements (e.g. the detailed production rules laid down in Regulation (EC) No 889/2008). In the preparation of the delegated act the Commission has committed itself to consult expert groups, to which experts from the 27 Member States are invited. European Parliament representatives and/or technical experts may also be invited.

The **Parliament and Council have the right to oppose** within a certain time period to the adoption of a new delegated act. Only if both institutions agree the new piece of legislation will enter into force.

• Implementing acts

may be adopted, where the Member States are primarily responsible for the implementation and where uniform conditions are needed (e.g. the obligations related to notification and exchange of information in Regulation (EC)

¹ Official Journal C 306, 17.12.2007



No 889/2007). In the preparation of such implementing acts, the Commission follows the so-called “Comitology” procedures according to Regulation (EC) No 182/2011². A committee consisting of representatives of the 27 Member States is consulted by the Commission and gives an opinion (in most cases by qualified majority) to the Commission proposal before it can be adopted. In a general way, if there is a negative opinion by the committee, the Commission may not adopt the implementing act.

Following the new Lisbon Treaty requirements, the Commission has made a proposal on how to classify the new Commission powers (COM(2010)759). This proposal is currently discussed in the Council and the Parliament in a first reading procedure.

You may find further general and detailed information under: http://europa.eu/documentation/legislation/index_en.htm

2.2. Way to compromise – a few words from the Polish Presidency on alignment of the organic regulation to the Lisbon Treaty

Michał Rzytki and Bartosz Pytlak

Michał Rzytki, Head of Organic Farming Unit, Ministry of Agriculture and Rural Development, Poland, Michal.Rzytki@minrol.gov.pl; Bartosz Pytlak, senior specialist, Organic Farming Unit, Ministry of Agriculture and Rural Development, Poland, Bartosz.pytlak@minrol.gov.pl, www.minrol.gov.pl

The Polish Presidency has focused the discussion of the Commission proposal on alignment of Organic Regulations to the Lisbon Treaty on determining which provisions should be regulated by delegated or implementing acts, and which rules as essential should be a part of Council Regulation (EC) No 834/2007.

The Polish Presidency has conducted a thorough analysis. This exercise has showed that in almost all of the currently applicable implementing rules (Commission Regulation (EC) No 889/2008) there are parts that should be regulated in the basic act and could not be delegated to implementing powers. Going in this direction would actually bring us back to the former system based on Council Regulation (EEC) No 2092/91, where all changes in regulations were decided by the Council. That system is “safe” for Member States due to the significant reduction of the Commission’s powers, but the system is very inefficient and ineffective, which was the reason why it was abandoned in 2007 within new Regulation (EC) No 834/2007.

The procedure for adopting implementing acts is friendlier to Member States so many countries prefer this option. The implementing acts are put forward for the opinion of the SCOF and without its approval none of the provisions can be adopted. The procedure for delegated acts gives more power to the Commission, which is the author of regulations and which chooses appropriate consultants itself. Member States

have a voice only when regulations are ready and sent to the Council and Parliament.

The Polish Presidency, after analysing the provisions of Regulations (EC) No 889/2007 and (EC) No 1235/2008, has proposed implementing acts where significant expansion of Council Regulation (EC) No 834/2007 is not required. In other cases (such as rules on production) delegated acts with strictly defined objectives, content and scope have been proposed.

An example is Article 9 of Regulation (EC) No 834/2007 banning the use of GMOs. In the existing implementing acts the ban is realised only by “vendor declaration”. It was decided to leave the delegation to the Commission with no real changes. The analysis showed that all other requirements regarding GMOs (coexistence, pollution levels) were considered essential and therefore must appear only in the Council Regulation.

At the SCA (Special Committee on Agriculture) which took place 28th November 2011, almost all Member States supported the project and the Polish Presidency received a mandate to begin a triologue (with the Council, the Commission and Parliament). At the time of preparing this publication the triologue continues and the Council’s position is represented by the Danish Presidency.

² Official Journal L 55, 28.2.2011: Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission’s exercise of implementing powers

2.3. Powers of the European Parliament within the Lisbon Treaty

Hannes Lorenzen

Hannes Lorenzen, Advisor on Agriculture and Rural Development, The Greens/European Free Alliance, European Parliament, hansmartin.lorenzen@europarl.europa.eu

The Lisbon Treaty has opened a window of opportunity for more democratic influence on the Common Agriculture Policy (CAP). Even, if the goals of this policy were not changed, to include the new challenges for farming such as climate change, biodiversity loss, shortages of water and concerns over soil fertility, the new co-decision rights of the Parliament should allow for better consideration of these challenges in the ongoing CAP reform process.

Organic farming found its unquestioned place within the CAP many years ago. It has its own regulation which reaches out into other fields, such as legislation on GMOs, biodiversity strategies and good agronomic practices like crop rotation. It has become an unquestioned forerunner of sustainable farming systems and does far more than provide a limited and inefficient fix of the environmental damages caused by conventional farming. The fact that the agricultural lobby complains about the exception of organic farming from greening requirements highlights this strong position.

However, as the Parliament is currently in trialogue with the Council and the Commission on the alignment procedure, the new area of shared power between the Council and the Parliament is a hard nut to crack for the Council representatives. They fear that the national experts of Member States, who had a virtually unquestioned privilege of interpretation of European law, will now sit on the back seat of legislation. Commitology is a creature of the past and there is a wide field of disagreement on the question what is political and essential in regulations and what is "technical", as is the case of Organic Regulations. One might believe that the expertise of SCOF is closer to reality of Member States than Members of the European Parliament (MEPs) and that MEPs should not deal with details such as which "substances" may or may not be used in organic farming. This is currently the point of conflict at the trialogue negotiations. The differentiation, between which should be delegated acts the Parliament can influence execution of legislation, and which should be implementing acts that could exclude the Parliament, is the line of principle disagreement currently blocking most of the alignment dossiers that Parliament has to deal with.

Even some organic experts seem to believe that these details would be better left in the hand of national experts. If you just count the staff and expertise available in the Parliament to deal with the huge amount of legislation which is coming up with CAP reform and its follow up, you might fear that Parliament would be overstressed with responsibility. However, that would be an invitation to undermine the efforts to make Europe more democratic and transparent. A while ago, the Commission thought that GMOs and organic farming could be compatible and it changed the list of substances to include GMOs. That was not a technical detail but a highly political matter. It was Parliament that challenged this Commission decision, successfully, in the European Court of Justice. Even if today the Parliament is not yet fully grown into all the new responsibilities that the Lisbon Treaty poses, it will surely rise to this challenge in the future.



Organic potato starch from Baltic region!
www.culinar.lv



2.4. The Expert Group for Technical Advice on Organic Production (EGTOP) of the Directorate General Agriculture and Rural Development (DG AGRI) of the European Commission

Alexander Beck and Nic Lampkin

Dr. Alexander Beck, Managing Director, Association of Organic Food Producers (Assoziation ökologischer Lebensmittelhersteller - Aoel), alex.beck@aoel.org, www.aoel.org; Prof. Nic Lampkin, Executive director, The Organic Research Centre - Elm Farm, nic.l@organicresearchcentre.com, www.efrc.com

In 2004, the EU organic action plan proposed the establishment of a permanent expert group on technical questions concerning the organic regulation. Following the European Commission's announcement in 2009 of its intention to establish a group, and a public recruitment process, the group's membership was published in September 2010 and the first meeting was held in December 2010.

The purpose of the group is to provide the Commission with technical advice, if required, on the authorisation of products, substances and techniques for use in organic farming and processing, to develop or improve organic production rules and, more generally, for any other matter relating to organic production. To provide highly qualified technical expertise, the group should be composed of scientists and other experts with relevant competences and should deliver independent, excellent and transparent technical advice to the Commission. Further information on this can be found at: http://ec.europa.eu/agriculture/organic/eu-policy/expert-recommendations_en.

EGTOP consists of 13 permanent members and 63 others who form a reserve 'pool' for the formation of sub-groups. Information about the expert group, its members, invitations, agendas and minutes of meetings, mandates and results of consultations can be found at: http://ec.europa.eu/agriculture/organic/eu-policy/expert-recommendations/expert-group_en.

The constitution of the expert group is very heterogeneous, due to the need to cover the whole spectrum of organic primary production and processing, and to closely link scientific and practical knowledge. Depending on topics further experts, outside the reserve pool, can be consulted. Procedural rules are published on the internet, with a strong emphasis on transparency and avoidance of possible conflicts of interests.

■ Tasks and mandates

The EGTOP's work is governed by mandates, which are proposed in draft form by the Commission based on prior discussion with Member States in the Standing Committee on Organic Farming (SCOF). The final scope of the mandates, and the membership of the sub-groups that are set up to

address them, is agreed in the plenary meetings of EGTOP. The expert group is entitled to make content proposals and to address them.

The tasks of the expert group concern in principle all production related technical questions linked to the organic regulation. One major task is the updating of the technical annex lists of the regulation (EC) No 889/2008, providing expert opinions concerning the inclusion, limitation of use or deletion of substances, in particular in regard to the annex lists I, II, VI, VII and VIII.

EGTOP holds two plenary meetings a year, usually in June and December. During these sessions the permanent members decide on the mandates, subgroups are formed and assignments are decided. Furthermore the reports of the subgroups are reviewed and adopted, with amendments if necessary. The Commission may then publish the reports on its website and use them to support legislative proposals. They are thus open for public discussion and part of the political debate.

In 2011, sub-groups prepared reports on feed additives, soil improvement agents and plant protection products. These have now all been adopted and published. The enactment of change to the regulations as a result of these reports is eagerly awaited at the time of writing.

■ Future projects

The projects for 2012 are poultry, food additives with report planned by June 2012 and protected cropping (greenhouse) with report by December 2012.

Because of the Lisbon treaty there will be major changes to Reg. (EC) No 834/2007 concerning decision procedures. Most decisions, especially technical questions, will be decided on the basis of delegated legal acts, involving co-decision between the Commission, Council and Parliament. Implementation acts shall only be applied to some minor topics. The role of the SCOF will be reduced as a consequence, while the recommendations of EGTOP may take on added significance.

2.5. Adapting IFOAM EU Group advocacy work to the new EU treaty

Antje Kölling

Antje Kölling, Policy Coordinator, IFOAM EU Group, Antje.Koelling@ifoam-eu.org, www.ifoam-eu.org

Since 1st December 2009, the Lisbon Treaty is the new legal basis for all EU policies. Accordingly, the welfare of animals must, from now on, be considered in all relevant policies, whereas the basic objectives for agriculture policies remain unchanged since the treaty of Rome 1957. However, some procedural change in policies comes from the new decision-making procedures under the new Treaty, which will have an impact on the ways that the IFOAM EU Group gets involved in EU policy in the future.

■ The right of initiative remains with the Commission

The role of the EU Commission remains strong in decision-making procedures. Only the Commission has the right of initiative, in both legislative procedures and in procedures to set implementing rules. Therefore, it is still crucially important for the organic sector to keep in close dialogue with the Commission. A co-ordinated exchange about latest developments and challenges and an explanation of needs of the organic sector are crucial, as is the timely presentation of EU-wide coordinated positions on upcoming decisions.

■ Strengthened role of the Parliament

The European Parliament is now involved in co-decision, on an equal footing with the Council, in all legislative procedures concerning agriculture. These include, for example, changes of Organic Regulation (EC) No 834/2007, the legislative texts of the Common Agricultural Policy (CAP), or the regulation on the agricultural product quality schemes. Co-decision has already been in place in other fields such as environmental policies, whereas for agricultural policies the Parliament was involved in a consultation procedure only before the Lisbon Treaty, with the Council having decisive powers. The IFOAM EU Group office will therefore need to work on improving contacts with key Members of the European Parliament (MEPs) who are active in agriculture policies. Members of the Committee for Agriculture and Rural Development will mainly be targeted. But we will also target and approach other interested MEPs who have influence on farm related policies, such as members of the environment, consumer protection, research and industry committees.

Meetings and conferences around the EU Parliament in Brussels are one tool to reach the MEPs, but it is of crucial importance to maintain contact on local and regional levels. MEPs need feedback and sometimes pressure from their constituencies, in order to understand what impact their votes have on farms, landscapes and food quality in their area. To encourage local advocacy work, the IFOAM EU Group informs its members about ongoing political processes and provides ideas for action.

■ New procedures for implementing rules

The implementing rules, means details of organic standards such as for example the authorisation of substances used in organic processing or farming and arrangements for imports, are laid down in Commission Regulations (EC) No 889/2008 and (EC) No 1235/2008. Until now, any changes to these texts have been decided in the regulatory procedure, with the Commission as initiator and the Standing Committee for Organic Farming (SCOF) playing a major role next to the Commission. The Lisbon Treaty has replaced the *regulatory procedure* with *implementing* and *delegated acts*. This will affect the way the IFOAM EU Group and its members will be involved in the policy process regarding implementing rules. To implement new procedures in the organic legal framework, the Commission has published its proposal COM(2010)759. The final decision on which procedure applies for exactly which specific rules and aspects of organic implementing rules has not yet been taken at the time of writing of this article. Negotiations are continuing at the trialogue between the Council, the Commission and the Parliament.

■ Implementing acts – standing committee decides

The new implementing acts apply where Member States are primarily responsible for the implementation. The decision procedures have been fixed in Regulation (EU) No 182/2011 and the *examination procedure* therein comes closest to the former *regulatory procedure*. The standing committee, which consists of experts from the 27 member states, will continue to be formally involved and can decide



with qualified majority. If a qualified majority is against a proposal, but the Commission considers a step forward as necessary, the decision goes to an appeal body, consisting of appointed representatives of the Member States. The European Parliament and the Council can only intervene in implementing acts if the Commission exceeds its powers. For this procedure, the advocacy strategy remains targeted on the Commission on the one hand and Member States' experts in the standing committee on the other hand. The IFOAM EU Group office coordinates the dialogue with the Commission and within the membership. Members of the IFOAM EU Group aim to discuss their positions and concerns with the standing committee member from their Member States.

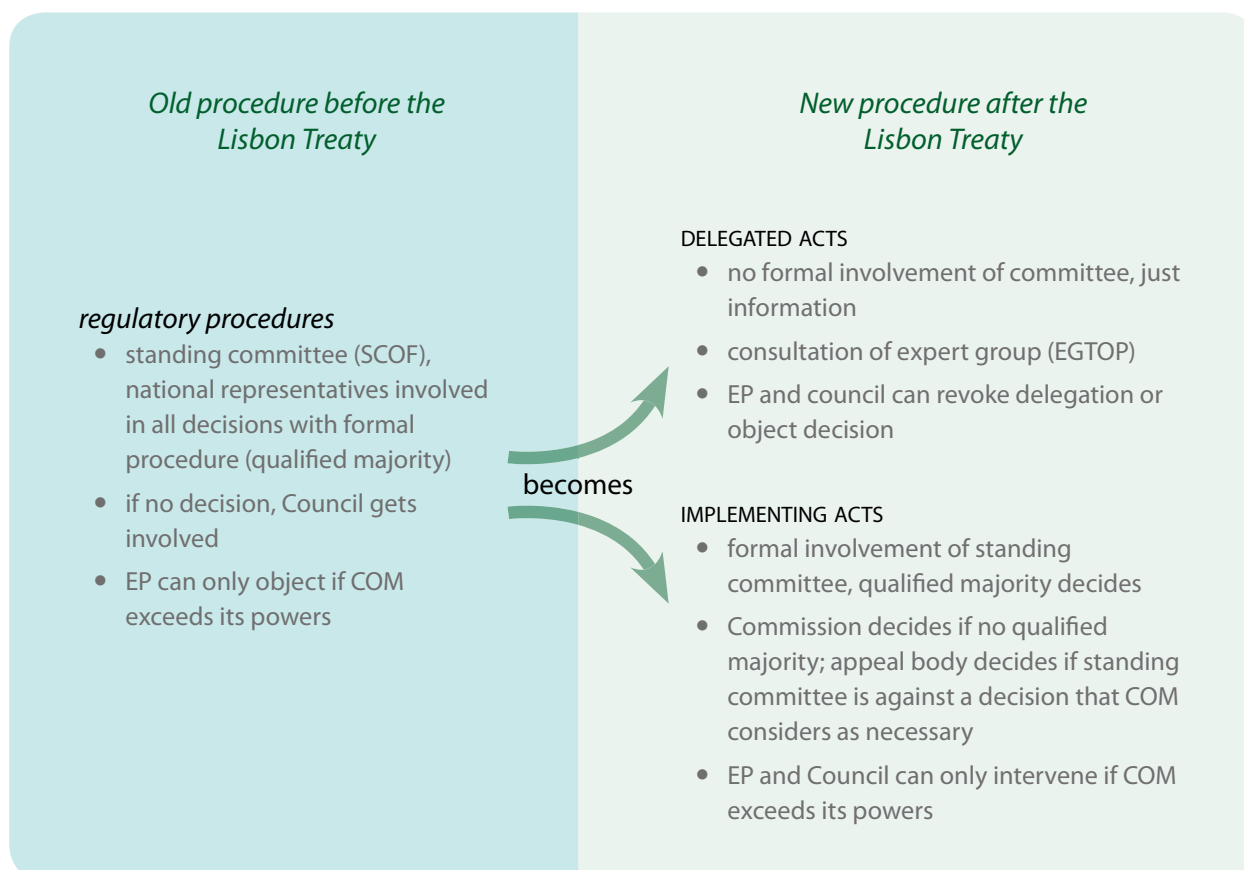
■ Delegated acts - empowered Parliament

Delegated acts will apply for provisions that supplement the basic Organic Regulation (EC) 834/2007 with non-essential parts. The Commission further explained its approach to delegated acts in its communication COM(2009)673. The standing committee in this procedure is informed and may be asked for an opinion by the Commission, but has no decision power. For the delegated act procedure, a new expert

groups has been established (for organic farming: EGTOP) which will be consulted before decisions will be made. Also, the Commission will consult experts of the Member States before decisions are made. The Commission will make the final decision. A new point in this procedure is a stronger role of the European Parliament and the Council, which can revoke delegation or object decisions for a short period after publication.

This decision-making procedure involves some new actors and consequently requires new strategies for the organic movement in its advocacy work. The dialogue with experts of the EGTOP that have been appointed by the Commission should be intensified. Exchange of views with Member State experts and Commission officials remains essential also for this procedure. Although very unlikely, there could be the extreme case that a decision would be adopted that seems unbearable for a large part of the organic movement. In this case, quick information and mobilization on the political level, in the European Parliament and Ministries, would be crucial to achieve revocation of the decision.

Procedures for decisions on implementing rules



3. CREDIBILITY OF ORGANIC PRODUCTION AND INTERNATIONAL TRADE

3.1. Integrity and credibility of organic quality – it is all about meeting consumer expectations

Bavo van den Idsert

Bavo van den Idsert, Director BioNext, Secretary VBP - Vereniging Biologische Producenten en Handel, van.den.idsert@bionext.nl, www.bionext.nl, www.vbpblogisch.nl

When you ask the consumer what he or she expects from organic food and farming, you will be surprised how high their expectations are. In 2011 a survey of light organic users was carried out in supermarkets in the Netherlands. The main findings were that the three main drivers to buy organic were health, taste and animal welfare. When asked further questions about the importance of topics such as soil fertility, clean water, biodiversity, fair trade and energy reduction, they answered that these issues were less important, as drivers to buy organic. They were aware that organic covers it all. New research shows that the heavy user of organic products buys organic in the first place because of its general sustainability and added values for society as a whole.

The first paragraph of article 1 of Regulation (EC) No 834/2007 identifies consumer confidence and the protection of consumer interests in organic products as one of its main aims. Further, article 3 includes requirements for organic operators to “aim at producing products of high quality” and to “aim at producing a wide variety of foods and other agricultural products that respond to consumers’ demand for goods produced by the use of processes that do not harm the environment, human health, plant health or animal health and welfare.”

The objectives of organic production are laid down in the organic regulation. In particular the objectives are to establish a sustainable management system for agriculture that respects nature’s systems and cycles and sustains and enhances the health of soil, water, plants and animals and the balance between them. It also aims to contribute to a high level of biological diversity, ensure responsible use of energy and natural resources, and respect high animal welfare.

The principles used to achieve those objectives are also listed in the organic regulation. Organic production is required to use appropriate design and management of biological processes based on ecological systems using natural resources which are internal to the system and excluding the use of GMOs. Processes are based on risk assessment and the use of

precautionary and preventive measures, when appropriate. Organic production restricts the use of external inputs and sets up a hierarchy of sources where inputs are needed, minimising artificial, harmful, non-biological products. The use of soil is a key principle and the maintenance and enhancement of soil life and natural soil fertility, soil stability and soil biodiversity preventing and combating soil compaction and soil erosion, and the nourishing of plants primarily through the soil ecosystem are clearly required. The minimisation of the use of non-renewable resources and off-farm inputs, the recycling of wastes and by-products of plant and animal origin as input in plant and livestock production, taking account of the local or regional ecological balance when making production decisions, and the maintenance of animal and plant health are also required.

The organic regulation also sets out principles for processing of organic food, which shall be based on production from organic agricultural ingredients, the restriction of the use of additives, etc., the exclusion of substances and processing methods that might be misleading, and processing of food with care, preferably with the use of biological, mechanical and physical methods.

■ Integrity: integration of organic principles into daily practice

Consumers understand the basic principles and meanings of organic very well and expect the organic sector to take care of them. When we look at what is legally required for organic agriculture and food in Organic Regulations it is obvious that organic cannot currently meet all expectations of the consumer. Organic companies (from farm to retail) work according to the organic principles, but in many cases there are additional requirements that go above those principles. In these cases private initiatives such as Demeter, Ecosocial or Fairtrade come into their own.

In particular the upcoming areas of energy reduction and social welfare (fair trade) are not covered in Organic



Regulations. The IFOAM EU Group sees private initiatives as key to give the flexibility needed to face those needs in different EU countries. However, the organic sector should work more closely together to come up with new international private concepts to secure the further development of organic and integrate some of these additional principles into daily practice in farming, trading, processing and even retailing practice. Why? Because the consumer expects these requirements to be integral in the way organic products are produced and traded. Such improvements in the current systems cannot be established in one year, but have to be part of a developing plan for the coming seven to ten years.

The IFOAM EU Group is keen to start to develop responsibility within the production chain for some of these issues and is currently proposing the mandatory requirement for organic processors to have an environmental management plan and assessment of environmental impact. This would cover all except the smallest organic processors.

■ Credibility

The credibility of organic is very dependent on the quality of certification and control. Of course the first actor who is responsible for the credibility is the organic company itself. They have chosen to produce organic and therefore must fulfill the regulatory demands. However, we cannot deny that organic agriculture and food is very vulnerable in many aspects. For example it needs a lot of knowledge to bring organic agriculture and food production into practice. Residue monitoring programs for organic show that most serious contamination cases are caused by ignorance of contamination risks in the chain. Contamination is easily caused, especially where organic and conventional streams are handled in the same company. This knowledge has to become part of quality management in the companies themselves, and be monitored as part of the risk based quality control carried out by the control bodies (CBs). All organic companies must have a clear quality program based on a risk assessment. The CBs should control all companies based on their own risk assessment and quality program.

There are moves to bring in variable levels of organic inspection based on the risk of failures of organic integrity, known as risk-based inspections. However, these moves have not yet produced workable systems and there is no prospect at present that inspections will be reduced below the mandatory one full inspection per annum.

The main reasons for the lack of development of the concept are that risk is hard to define and quantify. On the one hand, operators that handle organic and conventional products may be considered higher risk than dedicated operators, but

many non-dedicated companies have the highest standards of control and quality systems which can in some cases prevent risks that are still present in small operations. The details relating to the area of risk-based inspection systems is covered in another article.

Consumers' trust is strongly dependant on transparency. The consumers like to know where the products come from, which operations were involved, how it is composed and processed and what quality systems are installed. Beside traditional instruments for informing the consumers with labels or flyers modern communication strategies like "bio-mit-gesicht" (www.bio-mit-gesicht.de) as introduced in the German organic market make such foods as transparent as possible. Bio-mit-gesicht establishes transparency of the operator involved in the food chain.

In recent years a number of new analytical methods have been developed for verification of certification information. One of the most interesting is the Stable Isotope Ratio Analysis. For example this method is providing a useful instrument for the verification of geographical indications.

Another threat to organic credibility is fraud. Fraud in food is very persistent and it is a common problem for the whole food sector. For organic it is also a highly sensitive aspect because consumers pay between 20% and 100% more for organic food in comparison to conventional food. Each fraud case in organic undermines the trust in the organic food system as a whole and can demotivate consumers. The fast growth of organic puts pressure on the maintenance of organic credibility. On the other hand the legal requirement for certification strengthens consumer trust in organic products and reduces the risk of fraud.

An additional threat to consumer confidence is the concerns about the processes that organic products go through. It is important that there is transparency about the processes and what they do to our food. It is expected that the commission will consider some processes, such as ion exchange and reverse osmosis, to decide whether they are compatible with organic production.

Increasingly it is clear that consumers move towards organic products because of a very wide range of issues and concerns about some aspects of conventional food production that are addressed by organic production. However, as conventional foods develop and see these as possible areas of expansion for their conventional products, it is important that the organic sector develops to maintain its position one step ahead of the majority of conventional food on many of these issues.

3.2. Lessons from fraud cases in organic markets

Alex Beck

Dr. Alexander Beck, Managing Director, Association of Organic Food Producers (Assoziation ökologischer Lebensmittelhersteller - AoEL),
alex.beck@aoel.org, www.aoel.org

The European organic market has grown fast over the last 10 years. Various scandals in the conventional food market have irritated consumers and this has been one of the main drivers for the organic market. However, for several years now even the organic market has been attacked by fraud. This is crucial because trust and transparency have extraordinary relevance for organic consumers.

Fraud cases like those of Sunnyland and Agrital in Italy, Roberts Geflügel in Germany and others are examples of cases where criminal energy has been used to overcome existing security barriers in organic foods. All honest operators and trusting consumers are the victims.

The organic market is highly susceptible because of relevant price differences between conventional and organic foods and it will always be the case that highly valuable products will carry an increased risk of attempted fraud. However, we must also remember that we can never completely avoid fraud and where there is benefit there will be fraud. We should also be clear that authorities detect fraud in the conventional sector more rarely as there is no comparable certification system in the conventional sector. However, the conventional sector is working on improvements to avoid food-related crime including several projects that strengthen the information exchange between different actors who control food produced in Europe and several approaches to harmonize European food-control systems. These approaches are closely linked to the organic sector, as we are part of the wider food sector and are regulated within the conventional system. Therefore, the organic system is not separate, but builds on the conventional sector. Therefore, we need not only to improve the organic system, but also to work closely together with control authorities (like Europol, Interpol, national customs, federal prosecutors, European DGs etc.) and benefit from their approaches

The organic sector has developed the most advanced control system over all types of foods in the whole food chain. It is the responsibility of all operators and all control bodies and authorities responsible for the organic sector to work towards a continuous process of improvement of the organic quality system. In this process we must consider both the market actors' side and the control side with its regulations and systems, and both sides need to search for improvement possibilities.

A rough analysis of the situation gives hints for this process of improvement. The following list is a first proposal and should be seen only as an indicative list of topics for further consideration.

- The Anti-Fraud Initiative (AFI, www.organic-integrity.org) was founded as a platform for all stakeholders of the organic sector as a tool for analysing fraud cases, raising awareness for the problems and improving the processes where relevant. An instrument like AFI must be maintained on a permanent basis. The sector needs it as a platform to analyse fraud cases, to debate possible consequences and to exploring possibilities for improvement.
- We must work towards a more harmonized implementation of organic regulations throughout the EU. In some areas different implementation of organic regulations provide relevant gaps for criminal activities.
- Organic operators must develop their strategies and instruments further. For example, quality assurance concepts and purchasing strategies for organic materials must be optimised toward increasing security as much as possible.
- The quality concept established by article 26(2)ff of Regulation (EC) No 889/2008 has to be implemented in a proper way. This paragraph and those following require an operator to have quality control procedures based on systematic identification of critical processing steps. Further, they must guarantee that at all stages production and processing complies with the organic production rules and that the necessary steps are taken to prevent contamination, mixing or confusion with non-organic products. It is these procedures and their effectiveness that must be the subject of detailed inspection.
- We need further development of analytical instruments for the verification of certification information, such as stable isotope analyses.
- We must discuss what kind of measures have to be established and how to implement them, for example in the exchange of information when an operator changes their control body.



- In terms of documentation, explicitly on the certification status of an operation, we must investigate the possibilities for an electronic basis for certification. This will allow delivery of information on the current certification status of an operation in real time. This will minimize the risk of manipulation of certificates.
- We must be aware that there is an inherent conflict between increasing controls carried out by CBs and the cost of certification. We must look for ways to reduce the risk that lowest cost certification will also be more open to fraud and ways to reduce the financial dependency of CBs on controlled operations.
- In cases of suspicion there should be available state level systems to supervise and if necessary take over investigation to help CBs and remove possible conflicts.
- Clarification of responsibilities in cases of suspicion and doubt between control bodies and control authorities is needed. This must include the responsibilities for the final decision and the liability.
- Communication and cooperation between competent authorities needs improving by providing transparency on notifications in regard to fraud cases and the follow up. This should include providing transparent timetables and deadlines for actions and decisions.
- We must continue to improve the competence and position of the people doing the inspection and certification roles. This must be done through improving training and qualifications. Training concepts must include expertise on the special type of operation concerned, detailed knowledge of organic regulations, soft skills to help with handling tricky situations, and specific knowledge how to proceed when suspicion is aroused.

It is only with concerted effort in all of these areas that the best means of preventing and identifying fraud can be found. Once this is done it is vital that these measures are promulgated and carried out in all sectors of organic production. With those points controlled tightly organic production can continue to carry the confidence of Europe's consumers.

3.3. How to prevent fraud in the organic sector?

Beate Huber

Beate Huber, Head International Division, Research Institute of Organic Agriculture (FiBL), beate.huber@fibl.org, www.fibl.org

Do we have fraud in organic agriculture? The first reaction among organic stakeholders was usually – “don’t talk about it”. This was the reaction when the Anti-Fraud-Initiative (AFI) conducted its first workshops in 2007 and 2008 and this is still the case in some countries when discussions about fraud prevention are initiated. Yet, with growing organic markets, eventually fraud cases are reported. Considering the recent fraud committed by the Italian company Sunnyland nobody would believe us if we were to claim that there is no fraud in the organic sector. If we want to maintain trust of organic consumers and guarantee organic integrity it is important to be transparent and accept that there are always issues in the organic system that can be improved. That is what makes a system strong: we acknowledge that as long as organic promises better income due to higher prices there is the risk of fraud. We are aware of the risk, we learn of fraud cases and we react on them. We are constantly improving our system. We have one of the best control systems available for food and we must both publicise that and be aware that we can still improve it.

For such a continuous improvement of the system, it is important to develop a culture that allows revelation that mistakes have happened. The culture must support those who detect weaknesses and provide incentives for those who are improving the system. If we punish a control body for having a fraudulent client we risk that the next time the control body will rather cover up the fraudulent case. When a trader has huge trouble with an authority and/or control body when he notified residues or suspicion of fraud he will the next time solve the problem on his own e.g. by just silently rejecting the consignment or supplier.

The AFI in close cooperation with IFOAM, EOCC, IOAS and other organisations gathered organic stakeholders together on an international level. The results of the discussion among the experts show that fraud prevention does not need either a new control system or stricter rules. What is necessary is to improve enforcement of organic regulations and to continuously improve the efficiency and effectiveness. Areas

for improvement identified by the AFI are communication along the control chain, the awareness of the risks and application of risk oriented approaches, to make sure that all players in the chain take responsibility to contribute to an efficient and effective control system and finally to use the opportunities provided by new technologies.

■ Communication

The communication among the actors, particularly among traders, certifiers, authorities and accreditation bodies still has a huge potential for improvement. The organic regulation has been addressing this issue but its implementation is still not complete. Certifiers often report that they do not get responses when requesting information on certified products or amounts (e.g. cross-checks). This is especially important in cross border communication. Most actors including national authorities and affected control bodies got the information on the Sunnyland fraud case via the media and not through official channels. Often control bodies claim, when asked for information, they cannot reveal information due to data protection requirements. However, organic regulations have been amended to remove the possibility that this should be a reason for non-communication between CBs. Improved communication can be partly enforced (e.g. by checks of the accreditation body or authority on the reaction time of a CB or by defining procedures for operators switching control bodies). Communication must also be encouraged by providing platforms for communication on the various levels and by using IT tools such as a rapid alert system for fraud in organic.

■ Risk oriented approaches

Actual fraud cases or serious irregularities are reported from a maximum of 1-2 % of the operators. When taking into account all irregularities such as deficiencies in documentation, 5-10 % of the operators are affected. The vast majority of the operators are upright. Research results (CERTCOST¹) show that the risk for irregularities is higher in cases where an operator has already committed irregularities. Approaches need developing further to focus on the risk group instead of burdening all operators with costly and time-consuming inspection requirements. The same applies for the surveillance of CBs – the authorities and accreditation bodies need to develop tools to apply a risk oriented approach.

■ Responsibility

The strength of a chain depends on its weakest link – this also applies for the organic control chain. Appropriate quality assurance systems need to be established by the

operators – the control system does not replace a proper quality assurance system and the operators must be aware that organic integrity is not possible at the lowest price level. The trade also has a responsibility to share the information they have on suspicious products. The surveillance bodies need to learn how to assess whether a CB applies an effective control system. There is a tendency in some countries, such as Germany or Italy, to continuously make stricter and more bureaucratic rules for CBs, such as by defining a catalogue of risks, or the number of crosschecks to be done or the formal requirements for inspectors. Yet, research has shown that risk depends on numerous factors and despite huge data analysis it has not been possible, so far, to identify relevant risk factors that apply for all countries and CBs. Therefore, the responsibility for the control scheme must remain with the CBs. The task of the surveillance bodies is to check its effectiveness and ensure a level playing field among CBs.

■ New technologies

And finally, it needs to be mentioned that new technologies provide tremendous opportunities to improve the control system and increase transparency, and so reduce the risk of fraud. Databases are a perfect tool to increase transparency (e.g. publication of the certified operations, products, automatic notification of buyers in case of change of the certification status, availability of seeds etc.) and to ensure traceability of products. Also, tremendous progress is reported on new methodologies for analysis. Stable isotope analysis for example allows for identification of the origin of production and there are even promising results for verification of organic product authenticity.

■ Conclusion

The reactions on the big fraud case in Italy (which is in fact not an Italian fraud case but a European case) indicates that most consumers trust in organic food has not been dented by a single fraud cases. To maintain consumer confidence and organic integrity it is important that all players join forces to combat fraud and contribute to a continuous improvement of the control system. The following article discusses what we have learned in detail from this specific case.

1 Dabbert et al (2012): ECONOMIC ANALYSIS OF CERTIFICATION SYSTEMS IN ORGANIC FOOD AND FARMING: SYNTHESIS REPORT OF RESULTS D 23; <http://www.certcost.org/Lib/CERTCOST/Deliverable/D23.pdf>



3.4. The fraud case in organic discovered in Italy in 2011

Fabrizio Piva

Fabrizio Piva, Coordinator CB's, FEDERBIO, fpiva@ccpb.it, www.federbio.it

The major case of fraud in the organic sector, that hit the headlines recently, took place from 2007 to early 2011. While it was detected in Italy it has to be considered fraud on a European level. If one does not understand this aspect, it will not be possible to seize the opportunity to implement preventive measures to address similar situations in the future. Nearly all the false organic production came from Romania, but we do not know if these products were solely Romanian or whether they also came from other countries. Certificates were identified as false by the authorities and QC&I Int. was the principle certification entity whose certificates were involved.

This case of fraud also had fiscal objectives, to defraud national VAT systems, because in addition to having false organic certificates, false invoices were discovered for several million Euros. The "fake" organic products had invaded all of Europe but most did not pass through Italy and was simply re-invoiced by the company Sunnyland, the main company involved in the fraud. A further 21 other companies were involved in the investigation and were partly connected to Sunnyland. The investigation also revealed just a few false certificates that were issued by Italian certification bodies, who were completely unaware of the fraud. These certificates

were required to cover the transactions carried out starting with the Romanian product.

Seven persons, considered by the investigators as responsible for creating and supporting the case of fraud were arrested. They included those legally responsible for the companies involved and two employees of an Italian certification body who had been fired in the summer of 2010 during the course of the investigation.

The Italian national system of control and certification, along with the investigators, helped to reconstruct the traceability of the fraudulent goods and they are still verifying whether any product lots are still in commercial circulation, in order to remove their organic status. The investigation is not finished and it is currently proceeding to verify whether there are other liabilities or other products that have escaped the net of the control system.

This case of fraud brings to light how necessary it is to reinforce the concept of traceability by preserving the information on agricultural raw materials. In this case the source was contaminated, and in turn it contaminated all the way down the line to the final consumer.

3.5. Lesson learnt from the fraud case – "Gatto con gli stivali"

Andrea Ferrante

Andrea Ferrante, Federal board chair, AIAB, a.ferrante@aiab.it, www.aiab.it

The fraud case known as "Gatto con gli stivali" or "Puss in Boots" has only partially affected the market, but it has had a terrible impact on organic sector credibility. In Italy the structure of the internal market, where public procurement and direct sales play an important role, has minimised the effect of the fraud on sales. On the other hand, the effect was significant on the overall stability of the sector. In particular, it affected the certification system involving all the actors, private certification bodies, the national accreditation body and both regional and national public authorities. The reaction is leading to the installation of an online national database to provide more comprehensive information on the certification and control data and to ensure a system of information sharing that forms the basis of all activities. This will lead to a more efficient and credible certification system.

Two proposals that can be shared at the EU level were identified:

1. An information system with immediate access to all the information is needed. Ideally, this should be developed to a single European database managed by the Commission with the assistance of Member States. The database should include all the information currently held in national databases and should include a section open to all, a more specific one only for CBs, and another one open only to public regulatory authorities.
2. The weakness of organic regulations on imports and the supervision of certification bodies authorised to operate in the third countries creates risk. The Commission

should review the rules on equivalence among countries. The objective should be a system based not only on production standards, but also on the quality of the certification and control systems. Similarly, in

some supplying countries the supervisory system on certification bodies is non-existent, so the accreditation system for imports from third countries should be included in the assessment of equivalence.

3.6. Improving the organic certification system – CERTCOST project recommendations on risk-based inspection systems

Stephan Dabbert

Stephan Dabbert, Professor, Production Theory and Resource Economics, Institute of Farm Management, University of Hohenheim (Universität Hohenheim), Stephan.Dabbert@uni-hohenheim.de, www.uni-hohenheim.de. Editorial support by Antonio Compagnoni from ICEA is gratefully acknowledged.

This article is based on a final report of the EU funded CERTCOST research project (Dabbert 2011)¹, which ran from September 2008 to November 2011. This project was a major effort by a consortium of 11 institutions from 7 countries to provide an economic analysis of the certification system for organic food and farming. The project aimed to provide a scientific analysis and to include expertise from stakeholders within the organic certification system. This “two pillar approach” was reflected in the composition of the consortium which consisted of universities, Hohenheim and Kassel (DE), Ancona (IT), Ismir (TR), Prague (CZ), research centers, FiBL (CH), Icrofs (DK), ORC (UK) and two private control bodies working in the organic sector, ICEA (IT) and IMO (CH).

The full report and details of all work of the CERTCOST project are in various reports and scientific publications, available at: www.certcost.org.

The results led to recommendations on how to increase the effectiveness and efficiency of organic certification, addressed to organic operators, control bodies/control authorities, competent authorities and other Member State authorities, accreditation bodies, the European Commission and other stakeholders.

On the issue of risk-based inspection systems, the project recommended further development of their use, specifically:

1. support the development of quantitative systems supporting risk-based inspection,
2. widen the scope of risk-based systems by weighting the “risk of occurrence of non-compliance” by severity of the impact to the market and consumer trust,
3. implement more elaborate risk-based inspection systems at the level of control bodies in order to support their risk-based inspection activities,

4. consider use of risk-based inspection systems, not only to increase the number of controls in high risk cases but also to decrease the number of controls in low risk cases,
5. provide common basic requirements for risk-based inspection systems at European level, but leave the implementation details to the control bodies.

The use of risk-based inspection systems is mandatory already under the current legislation. Risk-based inspection systems can be used to more effectively identify operators with a high risk of non-compliance and to put them under additional scrutiny. Conversely, risk-based inspection systems can also be used to identify low risk operators. So far, implementation is largely based on qualitative approaches. Control bodies neither have sufficiently detailed data, nor are they in a position to apply the quantitative methods to determine risk factors, which have been applied in the CERTCOST project. Such quantitative approaches (e.g. logit models, count data models, Bayesian belief networks) could considerably enhance the effectiveness and the usefulness of risk-based approaches.

Regulation (EC) No 834/2007 uses the term “risk of occurrence of irregularities and infringements as regards compliance with the requirements laid down in this Regulation” (Article 27). This has essentially the same meaning as the expression “risk of non-compliance”. However, a wider understanding of risk could include further aspects. In particular, the size of the potential damage to the organic market and consumer trust is important. When selecting operators for additional controls this should be taken into account. In fact, some control bodies have already implemented this practice. Therefore, it should also be reflected in the regulation.

Quantitative risk-based inspection systems, as demonstrated by the CERTCOST project, are currently a scientific approach

¹ Dabbert, S. (2011): Improving the organic certification system: Recommendations from the CERTCOST project. Report D24, www.certcost.org



rather than a tool that can be applied at reasonable cost and effort by control bodies. Even at the scientific level they leave room for further developments. It would be desirable to develop tools which can actually be applied by control bodies based on statistical estimation techniques, such as those used within the CERTCOST project and related projects.

The CERTCOST project recommends that the control bodies place particular emphasis on development and implementation of quantitative and qualitative risk-based approaches to inspection. Once effective, quantitative risk-based inspection systems are implemented, the Commission should consider that in special cases the inspection frequency maybe lowered for proven, low-risk operators that fulfill certain criteria. Among those criteria could be that they belong to a group that as a whole shows low risk of non-compliance and in addition have fully complied with the organic regulation for a certain number of years. For very small scale, low-risk operators with a proven compliant track-record, even exemption from inspections might be debatable.

It is strongly recommended that the requirement for a risk-based inspection system is enforced. The European Commission should provide the overall framework for such a system. An important element of this framework would be harmonized definitions of non-compliances, risk classes and other relevant variables. The framework should regulate that the outcome of a risk-based system must be similar with respect to risk categories for operators and the inspection plan. Similarly, data required as an input to the system must be defined and the approach used fully documented.

In the full report the six general fields of recommendations are addressed, each containing specific suggestions. The recommendations, as listed below, are explained and justified.

1. Harmonize supervision of the certification system, approval of control bodies, and data collection
2. Develop further the use of risk-based inspection systems
3. Raise consumer awareness of and trust in organic certification logos
4. Strengthen the institutional basis
5. Increase transparency and enhance the information provision to organic operators
6. Invest in the knowledge system

The CERTCOST project in the recommendations development process applied three criteria seen as essential to make judgments about necessary and desirable change in the

European organic certification system. They are quality, cost and subsidiarity.

■ Quality

The quality of the organic systems has two dimensions, to physically guarantee the organic integrity of the product and to build, consumer trust in the system, based on physical integrity.

A high quality organic certification system should limit the quantities of products that are marketed as organic but do not comply with the standards, and the number of non-compliance cases, to amounts that can be communicated to consumers and others as an acceptable rate of mistakes in a system run by human beings. It must deal, convincingly, with cases of detected non-compliance, in a way that decreases the probability of reoccurrence. It must also show continuous improvement, both of the operators and of the overall system. Finally it must be transparent and communicate to consumers in a way that builds trust.

■ Costs

The total cost of the organic certification system is substantial. An estimate from the CERTCOST project puts it at 70 – 110 million Euros in the year 2008 for the EU27. If we assume a total turnover of organic products in the EU in the same year of 18 billion Euro the proportion of certification in total turnover cost ranges between 0.4% and 0.6%; it is likely that this is a lower border estimate.

■ Subsidiarity

The third major aspect to consider, when thinking about improving the organic certification system, is the issue of subsidiarity. The question here is what decisions should and can be taken, at what level. With respect to developing recommendations on the certification system we must ask whether improvements can be made by moving some decisions to a different level of the institutional hierarchy. If the control bodies can decide how to identify high and low risk operators, the system should be much more efficient and reactive to the specific situation a control body faces. Also, quicker reaction will be possible in changing circumstances.

The IFOAM EU Group has an ongoing working process that also receives inputs from the EOCC, and other stakeholders, leading to a common position on how to better implement an efficient and effective EU-wide risk-based inspection system for organic certification. The current working draft is largely based on the precious work done inside the CERTCOST project.

3.7. A summary of the different international standards and regulatory systems

Keith Ball

Keith Ball, Regulation Advisor, IFOAM EU Group, Keith.Ball@ifoam-eu.org, www.ifoam-eu.org

Developments in **EU organic regulations** since 2009 with regard to importing bring into focus the variation in standards and assessment criteria throughout the world. There is a need for further work to harmonise standards in this area if we are to liberalise trade in organic products, to ease sourcing of ingredients for EU operators, to provide common opportunities to export from the EU and to facilitate access to developed markets for organic operators in developing countries.

Apart from the EU, the main regions with large, well-developed organic markets that have in place established standards and regulatory systems are in North America and Japan. Since the publication of the EU organic regulation, the Commission has done significant work to ensure that the majority of products from those regions are considered as having come from production and processing systems equivalent to those regulated by Regulation (EC) No 834/2007 and its associated amending and implementing regulations.

The country to country recognition agreement with **Japan** was set out in Regulation (EU) No 471/2010. However the situation with regard to exports to Japan remains complex. Although an equivalence of control systems has been agreed, Japan requires that operators exporting products to Japan must be certified by a control body which is registered in Japan, a costly and time-consuming process that requires both a Japanese office and use of Japanese registered inspectors. For an organic operator to link with a CB already approved in Japan remains the most straightforward option to ensure the flow of organic exports from the EU to Japan.

Canada and the EU signed a third country recognition in June 2010. The agreement fully accepts all approved control bodies in either region and in the EU have been introduced by Regulation (EU) No 590/2011. However the conditions for import into the EU from Canada and the conditions regulating export from the EU to Canada differ. Any product produced within the EU and certified by an approved EU control body may be exported to Canada. Ingredients for products processed in the EU may originate from outside the EU provided that the provisions of article 33 of Regulation (EC) 834/2007 are respected. For export of products from Canada to the EU, only agricultural food or feed products entirely grown in Canada are eligible and processed products must similarly consist only of such ingredients.

The agreement signed by the EU and **the US** in February 2012 has been hailed as historic. Regulation (EU) No 126/2012 states that the control systems in the US are considered equivalent to those in the EU and uniquely the agreement extends to equivalence of the standards employed in both regions with the exception of antibiotic use. Livestock produced in the EU which have been treated with antibiotics may not be exported to the United States as meat or livestock products (milk etc.). Conversely, the use of antibiotics which the US currently permits for control of fire blight in organic apple and pear orchards is prohibited for use on trees whose fruit is exported to the EU as organic. Aquaculture products are excluded from this agreement.

Both the EU and the US have approved control bodies active outside their home countries. Products certified according to the NOP outside the US are included in the agreement only if they are further processed or packaged within the US. The same restriction applies to products certified to EU organic regulations outside the EU as these must be further processed or packaged in the EU.

The agreement does not address a number of smaller issues of concern and which could cause disruption in the EU. The US NOP list of permitted additives contains several additives such as Tragacanth Gum which are not permitted in the EU regulations. Therefore US processors could make an organic product containing Tragacanth Gum and sell it in the EU but EU manufacturers could not produce and sell the same product. Similarly the addition of Calcium Carbonate to food as a source of calcium is permitted in the US organic rules, but EU organic regulations only allow it where addition is required by other EU legislation.

If agreements such as the EU/US one are to continue and in particular if those agreements are to become multilateral rather than bilateral, then attention to issues like this will help to avoid market distortions. To condemn this landmark agreement on the basis of a few small differences would be quite inappropriate. In general equivalence agreements with other governments promise improved access to markets and so improve prospects for trade. However, it is vital that during the development of such agreements, the Commission considers the risk of disadvantaging EU processors and growers and takes clear steps to minimise these difficulties.



Transparency and openness should be major objectives of any equivalence process.

Another up and coming organic market is **China** with its vast potential for production of both primary and processed organic products. These are already of considerable interest to importers in the EU and there have been initial discussions between China and the Commission about third country recognition although such talks are likely to continue for some time. There is some resistance to trade with China due to a number of high profile contamination instances but the Chinese government has recently put in place a new regulation and new standards and it is hoped that contamination concerns will decrease. Lack of transparency in controls and supervision remains a concern for some and it is important that this aspect is considered in the equivalence negotiations.

Issues regarding private standards appear to have taken a less significant role in certification processes in the EU since the introduction of new organic regulations. In Member States where private organic standards are highly developed they

have continued to be influential and are both familiar and trusted by the consumers. Products certified to Demeter organic standards which incorporate biodynamic agriculture also seem unaffected by the new regulation. As these comply with EU organic regulations there is no problem with equivalence and the broad international certification carried out by the Biodynamic movement seems to provide sufficient raw materials to supply demand in the EU.

In general, therefore, the new regulation with its emphasis on equivalence has not created many additional hurdles to trade in organic goods and has liberalised some markets significantly. It is to be hoped that this process will continue, but consumers, farmers and processors will maintain careful watch on the process to ensure that this liberalisation does not allow products produced to standards significantly lower than the EU regulation to be permitted entry to the EU. To maintain trust in the light of such concerns, the process whereby equivalence is developed must be transparent. Ideally it must be monitored and reported on publicly by the Commission and the Member States who conduct equivalence assessments.

3.8. Co-existence of private standards and public regulations

Francis Blake

Francis Blake, Policy Advisor, Soil Association, Fblake@soilassociation.org, www.soilassociation.org

One of the most contentious issues in the negotiations over the new organic regulation was the proposed constraints on the autonomy of organisations with their own standards. At that time, under the influence of Agriculture Commissioner Mariann Fischer Boel, promoting the Single Market was a key priority and the many private organic standards operating within the EU were seen as working directly counter to that goal. The IFOAM EU Group and others fiercely resisted these proposals as being discriminatory and anti-competitive.

In the last few weeks of 2006, the Finnish presidency introduced a compromise to try and overcome the organic sector's opposition. Out went the restrictions on bodies with their own standards and in their place came the concept of a compulsory EU logo (use of which previously had been voluntary). However, to keep the EU's options open, the text also required the Commission to submit a report to the Council by 31st December 2011 to review the experience gained from the application of the regulation in, among other areas, *"the functioning of the internal market and controls system, assessing in particular that the established practices do not lead to*

unfair competition or barriers to the production and marketing of organic products" (Article 41 of Regulation (EC) No 834/2007).

At the time of writing, this review has been postponed and is not expected until May 2012. This article aims to review the experience gained and what has happened over the last three years and attempts some conclusions as to what changes might be proposed, if any.

■ What is the issue with private standards?

The aim of the single market is to ensure free movement of goods within the EU so as to promote free trade. By contrast, the development over many decades of the myriad of organic standards has been founded on the particular combination of cultural, structural, geographic and climatic conditions that are so individual to each country or region.

The fact that the EU organic regulations have managed, in their 20 year life, to achieve such a remarkable degree of harmonisation out of the diversity within its borders is to the

credit of both the legislators and the organic sector. Clearly, this is still a 'work in progress' which will continue as the organic sector, still less than 5% of farming in the EU, develops and expands.

However, it is important not to lose sight of two facts. First, organic standards will always have to reflect the local conditions for growing, be it different climatic conditions or states of development. Organic principles preach diversity in the farming system, so standards must be able to reflect regional diversity of conditions. Second, consumer demand for organic also has very different drivers in different regions, thus the most healthy organic markets are likely to reflect their particular local cultural influences.

How to achieve the right balance between harmonisation and diversity is therefore a vital question. Following the principle of subsidiarity, EU level rules must surely set the overall context and the minimum requirements; but local, regional and/or national identity and flexibility must equally surely be allowed to flourish within that - most likely to be promoted by local or national organisations. In this way, the innovation and local connection of these organisations (that are mostly not-for profit, public good bodies) can be facilitated, rather than suppressed.

■ What has happened to private standards under the new organic regulation?

A major difference of the new regulation is that it prohibits member states from setting stricter standards than the regulation (except where this applies also to non-organic production in the country). Previously, this facility was used by almost all those countries that set a national standard. After a period of angry concern in the organic sectors concerned, many of these have now settled down, but it has stimulated some organisations within these countries to consider how to introduce their own supplementary standards to maintain their valued additions.

In other countries where private standards were already allowed, their status and spread has maintained and in some cases increased. Naturally, farmers and processors tend to favour the use of standards and certification that are most well known and trusted in their countries. These are often associated with organisations that also offer support on technical issues and a higher profile with consumers, therefore providing important benefits over and above the basic legal requirement of certification.

A counter trend can be seen in some countries where local markets are not so developed and the focus is on export. Here, there is no local organic identity and the priority is to

supply markets abroad. The new regulation suffices for this. Another mitigating factor is that most of these exports are of plant products, whereas most of the standards differences are to do with livestock. Thus, these products tend to avoid the demands of the importing markets in those more sensitive areas.

■ What has happened to private/national logos under the new organic regulation?

A similar picture can be seen with private and national logos. They have maintained or increased their traction in countries with stronger organic markets where consumers identify with the activities and ethos of the local organisations or government stance. On the other hand, these are tending to suffer in the exporting countries where the organic organisations are generally smaller and weaker. Instead, the new EU organic logo is filling the void and providing a common identity for organic products.

■ Conclusions

The new regulation and the new EU organic logo have made some significant progress in achieving *"clarity for consumers throughout the Community market"* (Recital 24 of Regulation (EC) No 834/2007), and in promoting *"a harmonised concept of organic production"* (Recital 28 of Regulation (EC) No 834/2007). Further, the qualification that *"the EU logo should under no circumstances prevent the simultaneous use of national or private logos"* (Recital 26 of Regulation (EC) No 834/2007) also seems to be borne out (though perhaps not in exporting countries).

From the above, it could be argued that the new regulation has struck more or less the right balance between common ground-rules on the one hand and local/national identity on the other. However, reading the objectives and principles in the regulation, the inevitable conclusion is that considerable more progress is needed before the organic rules can really be said to fulfil them properly, or indeed to fulfil existing consumer expectations. This requires ongoing and pioneering innovation by those who are at the heart of the sector. It is therefore crucial that these private organisations can continue to contribute what they do best, in a constructive and stable relationship with the authorities. Even if, in so doing, they may create a small amount of friction in the smooth running of the Single Market, this is a price worth paying for helping to keep organic food and farming alive and progressive for consumers, the environment and indeed the Community.



3.9. An evaluation of new EU rules for importing organic products – the viewpoint of certification bodies

European Organic Certifiers Council (EOCC)

EOCC is an umbrella association of more than 47 EU based and non-EU based CBs certifying products according to EU organic regulations. As certifiers of exported organic products in third countries and as certifiers of importers in Europe, EOCC recognizes the importance of the new import system and followed or commented its establishment for years. Contact: Sabine von Wirén-Lehr, EOCC Representative, representative@eoacc.nu, www.eoacc.nu

■ Introduction

In December 2006 Article 11 of Regulation (EEC) No 2092/1991 was amended introducing the three systems for importing organic products: Import through countries recognised for equivalence, through CBs recognised for equivalence and through the current system of import authorisations. In June 2007, the complete system based on equivalency was taken over in Article 33 of Regulation (EC) No 834/2007: Products from third countries can be imported via two systems that are directly under management of the Commission: “Equivalent countries” (Annex III of Regulation (EC) No 1235/2008) and “Equivalent CBs” (Annex IV of Regulation (EC) No 1235/2008). In parallel, a system of compliance has been defined (Article 32 of Regulation (EC) No 834/2007). Its implementation has been set on hold so far. In December 2011 the first version of the list of “Equivalent CBs” was published in Regulation (EU) No 1267/2011. In February 2012 Regulation (EU) No 126/2012 followed. This new system (equivalent CBs) enters into force on July 1st 2012 and shall replace the system based on import authorisations over a period of 3 years.

Since April 2008 (Regulation (EC) No 345/2008), the Commission has recognised 4 additional countries as equivalent to the EU, achieving a current list of 11 equivalent third countries (including in total 153 CBs) and, since December 2011, 23 CBs in the CB list which are active in 59 additional countries.

■ Evaluation of the new import system according to the criteria: Reliability, Transparency and Fairness

With the introduction of the “equivalent CB list”, as from July 1st 2012, the new imports system will come fully into force. It consists of three parallel routes to import organic products: through i) “Equivalent Country”, ii) “Equivalent CB” and iii) import authorisation. Each system has its particularities which have to be respected by all concerned parties. It will be an important task to clarify how the parallel systems work together. It may even be more difficult to organise a reliable, effective monitoring and supervision of this system.

A thorough and ongoing evaluation seems crucial to prevent “erosion” of the control system for import of organic products. EOCC proposes to evaluate against the criteria reliability, clearness and fairness. The following examples highlight the potential of this systemic evaluation and summarize challenges of the new system.

I. Evaluation regarding Reliability

- The main challenges concerning the new import system’s reliability lies in a **shift of roles and responsibilities**: To be listed in the “Equivalent CB list” (Annex IV of Regulation (EC) No 1235/2008), a CB needs to use equivalent standards. This was also required in the past with the “old” import authorizations system, but must now be explicitly implemented and this aspect of standard setting must now be explicitly included in CBs’ assessments. The need for CBs to set up and use clearly defined, equivalent standards in third countries can be seen as a positive output of the new system but needs to be closely monitored in its future application.
- In addition, **evaluation and monitoring are shifting in terms of responsibilities, content and frequency**: Coming from full supervision of process and content by competent authorities, the new situation moves to a management-like supervision mainly delegated to assessment bodies (ABs) and based on an evaluation by the Commission of annual reports of CBs’ activities.
- With the shift of responsibility towards the Commission for monitoring and evaluation, EOCC expects the **need for additional resources: capacities, competence** and adapted tools (e.g. a central database of certificates) at the level of the EC and assessment bodies.
- **Certificates of inspection** have been identified as the “major critical point” of the new import system since they are the only remaining tool to prevent non-compliant products from entering the EU market. EOCC is in favour of developing an EU-based monitoring system for issuing certificates of inspection, managed by the European Commission.

- With the end of import authorisations, the role of competent authorities is strongly reduced and with that, an important **Security lock** has to be replaced. At present it is unclear, who/what takes over this role in the new equivalence system. This links also to new responsibilities regarding the certification system including sanctions or the task to grant exemptions (e.g. the approval of reduction of conversion times) and the review of the risk based inspection systems. This future management of non-compliances and sanctions for operators and CBs will determine the vulnerable points of the new import system.

II. Evaluation according to Transparency criteria

- The largest progress in transparency may be that **a clearly defined equivalent standard** applied in third countries allows third country operators to see beforehand what they have to comply with - before having any costs for control and certification.
- However, in such a system of various standards the transparency of the **flexibility in evaluation of equivalence** becomes a crucial point. It has to be transparent to everybody involved in drawing up the production rules and in implementing certification and control. This could be facilitated by making it mandatory for CBs to disclose the equivalency standards e.g. on their websites. This entire system of equivalence depends at all levels on a clear definition of equivalence criteria, as there are for example:
 - » Equivalent performance in third countries: To guarantee equivalent performance, a transparent and harmonised assessment of CB activities on-site is

important - the guidelines for ABs need to be clear and updated for that;

- » Equivalence of production rules: At the CB level, it is not yet defined which degree of variation, or so-called "elasticity", is possible when applying equivalence for certain production rules.

- **Transparency and communication of procedures linked to the future management of third country and CB list:** EOCC has been asking for clear procedures in the management of these lists. In particular, the requirements of easy and fast enlargement of scope or addition of other countries of operation and the establishment of a formal appeals process for CBs who object to management decisions are vital.

III. Evaluation against the Fairness criteria

- Fairness in supervision criteria imposed on the different import schemes: Assessment of CBs in equivalent third countries listed in Annex III of Regulation (EC) No 1235/2008 and CBs listed in Annex IV should be comparable.

Overall, EOCC is convinced that only a thorough and critical analysis of the new system at this early implementation stage can anticipate crucial issues regarding the security and quality of organic imports in the EU. EOCC suggests to pursue the evaluation started in this article and to follow up on its outcomes within a **complete and update guideline** published by the responsible authorities. In addition, EOCC as a certifiers' association is ready to actively contribute to improving the implementation process.

3.10. New import regime: experience from ICEA

Michela Coli

Michela Coli, International EU Certification Manager, Ethical and Environmental Certification Institute (ICEA), fo@icea.info, www.icea.info

Introduction

Since its inception, the ICEA policy for its international activities was to apply for domestic recognition in states where there was a national organic regulation. These had no specific requirement to work locally as in EU countries, but ICEA was convinced that this was the fair way to do it.

For the last 10 years, competition between CBs was mostly based on certification fees, on decisions about conversion period reduction, on derogations for the use of non-organic seeds and on use of non-organic agricultural ingredients.

Therefore, CBs operating in third countries, with the same agronomic conditions, took different decisions. The result was that imported organic products, even if certified by CBs and authorised by EU Competent Authorities, were not always managed in equivalent systems.

In the absence of any obligation for international accreditation and/or obligation of specific accreditation body audits in third countries, international procedures were completely in the hands of CBs. While there is a thorough evaluation of all import consignments by EU Member State competent



authorities, based on transaction certificates and inspection reports, there was no formal evaluation of CBs' procedures and certification standards.

The new organic regulation

With the new organic regulations, an ISO 65 accreditation is still not required, but an assessment report, made by an independent accreditation body (AB), is obligatory. This assessment must be an accurate analysis of the CB quality manual and activities, and includes, at least, one witness audit

for each product category, an evaluation of procedures used by the CB and a specific assessment of the standard used for its equivalence to the EU regulation.

Conclusion and recommendation

There is a need for more transparency and clearer specific instructions for CBs. However, most stakeholders accept that the EU Commission's attempts to create a new system, in which all involved CBs will work in equivalence one to each other, is positive and welcome.

3.11. Import and international trade – maintaining trust among producers and traders

Arjon Kalter

Arjon Kalter, Head of Quality Assurance & Project Management, Tradin Organic Agriculture BV, Arjon@tradinorganic.com, www.tradinorganic.com

The organic industry relies on imports from countries outside the Union. The new set of rules on organic products import within Regulation (EC) No 1235/2008 come into force as from 1st January 2009. This article discusses the possibilities for these implementing rules to support the organic sector in its continuous efforts to maintain and improve organic integrity. The new implementing rules focus on the role of CBs and authorities. Because true organic integrity cannot be achieved by certification only, we also discuss the role of importers in the organic sector in achieving the desired level of organic integrity.

■ The old organic regulation

Up to now, there were two ways to import from a country outside Europe. Either the exporting country was on the approved third country list, or import took place through the system of import authorisations. Both have known advantages and disadvantages.

For import from a country on the third country list, only a valid organic certificate of the exporter and a transaction certificate with the shipment are needed. This makes for a swift and flexible operation. However, the methods and outcomes of control of countries on the third country list by the Commission is not clear and is perceived as a black box. Sanctions against third countries are unknown.

For the system of import authorisations, each importer must apply for an import authorisation for each exporter he does business with. Application is made to the competent authorities of the Member State where the importer is based.

The authorities assess the supply chain before granting approval. This method gives extensive control on the organic integrity of the whole supply chain. This information on the full supply chain is useful not only for the authorities but also for the importer himself. There are however drawbacks. First, this method creates administrative work due to the number of parties involved. Second, there is the risk of interpretation differences. Member States are free to focus on certain aspects of organic regulations or may interpret them more freely. In particular areas such as the shortening of the conversion period are assessed differently in different Member States. A third drawback is that authorisations for the same product or supplier may be withdrawn in one Member State, due to concerns, but this is not always copied in other states authorising the same products or suppliers. Overall, the variability of the administration of import authorisations issued by Member States creates an unlevel playing field. As a result trade moves from one Member State to another (more lenient) one.

■ New organic regulations

With new organic regulations, the system of import authorisations will largely be replaced by a list of approved CBs. Importers may buy from any importer that has been certified by one of these CBs as long as that CB is approved for that particular country. As in the third country method, only a valid organic certificate of the exporter and a transaction certificate with the shipment are needed. The third country list also continues to exist and actually is the preferred method of the Commission so the list is expected to grow.

Organic regulations with the approved list of CBs has clear advantages compared to the method of import authorisations. It moves the administrative workload from the importers to CBS of the exporters. Furthermore, the centralised approach of organic regulations creates a more level playing field. However, several cautions should be made as they can harm the trust among producers and traders.

First, the list of approved CBs that will become effective on June 1st 2012 contains 30 CBs at the time of writing, although more are expected by that deadline. Many important EU-based CBs are not on the list. Furthermore, a substantial number of the CBs on the list are approved for only a small number of the many countries in which they do business. The Commission has indicated that the updated list will contain approximately 50 to 60 CBs, but even this is insufficient to cover all the countries involved in providing organic material for the European market.

Second, the criteria that CBs have to meet to be admitted to the list and to remain on the list, are unclear. Without a clear set of approval criteria, it is impossible to control who is on the list and should remain on the list, making it impossible to guard the quality of the CBs on the list. The Commission has indicated that for now they will focus on admitting CBs to the list so it will be at full speed in 2014. Supervision by the Commission will not be in place until 2015 at the earliest. Further it is clear that some of the problems getting approval for certifiers rest with variability in accreditation. It is vital that systems at this level are common, consistent and rigorous if the system of approval of CBs who operate semi-separate entities in several different states is to maintain credibility. The current system of single state monopolies of accreditation does not help this process.

Third, there is no clear sanction policy, other than removal from the list. A sanction policy should allow the Commission to intervene early with case-specific measures in a predictable manner.

Without the possibility of early intervention, it is not possible to achieve continuous improvement among the CBs. When the only sanction is removal of CB approval, the organic sector is worried that in many cases it will be considered too drastic to use. Considering that a supply chain is a continuous process starting at farm level and ending at the consumer, it involves many parties, interconnected by many transactions, contractual obligations and shipments. Removing a CB from such a complex network has a huge impact on all parties involved. A good sanction policy is transparent and therefore predictable for all involved, allowing the industry to take appropriate measures in the face of the anticipated removal of a CB from the list.

■ Shared responsibilities within the organic sector

One final concern regarding the new legislation is reduced transparency. Authorities in the Member States no longer investigate the supply chain, as they used to with the import authorisation application process. Importers no longer have an obligation to request this information about their supply chain. It is not uncommon for importers to be satisfied when the certificates are available and therefore their legal requirements have been met. However, their quality standards as the importer should be higher than simply meeting the minimal legal requirements, and should include for example, analyses of pesticide residues, a system of risk analyses and a thorough assessment of the organic integrity of their supply chain. Measures like these are common in the food industry with regard to food safety (e.g. HACCP), and should also be applied to organic quality.

■ Conclusion and recommendations

Organic regulations will potentially bring considerable benefits to the importers. There are however several aspects which need attention from an importers perspective:

- The list of approved CBs needs to accommodate the full set of countries, and their products, that supply to the EU. In the absence of a complete list, the system of import authorisations must remain in place until it is completely redundant.
- Qualification criteria must be clear, and the supervision criteria and process on the certifiers and accreditors must be in place.
- A sanction policy should be developed that allows the Commission to take scalable measures in case of non-conformities.

Organic regulations also give an opportunity to improve the system of the third country list and how it is perceived by the organic sector. The supervision process of the third country list can be made more transparent by building upon the extensive information on CBs that has become available with the new system.

The organic sector should look towards CBs and authorities for maintaining trust among producers and traders but also take their own responsibility when it comes to knowing the organic quality of their product. In particular sharing of information among importers and traders will help to identify weaknesses in the system. The industry should use the tools it knows from food safety, like risk analyses, to provide an answer to the following question, "what are the risks with regards to organic integrity within the supply chain and what is done



to control and reduce these risks by each chain partner?" It is important to note, in this regard, that certification is only part of the supply chain's toolbox. Other tools that deserve wider use include residue analysis and audits of the chain by the company's quality staff.

It is clear that in the future industry, certification bodies, accreditation bodies and authorities will each have their part to play in maintaining and improving the integrity of imported products, particularly through the next few years while the system is under continuous change.

3.12. Experience of the Global Organic Market Access (GOMA)

Diane Bowen

Diane Bowen, Senior Project Manager, IFOAM, d.bowen@ifoam.org, www.ifoam.org

For ten years, IFOAM, FAO and UNCTAD worked in partnership to address and reduce barriers to trade of organic products resulting from the global proliferation of organic standards and technical regulations. This partnership, which began with a "Harmonization Conference" at BioFach in 2002, has continuously attracted stakeholders worldwide, in public-private collaboration, to work on solutions. In particular the partners have been concerned with enhancing market access for organic producers in developing countries. The livelihoods of these poor producers could be improved if they had fair access to the major organic markets, including the EU.

The GOMA¹ project has been especially interested in whether the new organic regulations and implementing rules would improve access to the EU organic markets. The old regulation required imported organic products to come from countries on the "third country list" or be approved on a case-by-case basis through member state import authorisations. This limited access to EU markets for poor producers in developing countries due to the high cost and complexity of these avenues.

GOMA has welcomed the new avenues, particularly the option for direct approval by the Commission of control bodies operating outside of the EU, based on organic certification with equivalent standards and conformity assessment systems. GOMA was encouraged that with this option, the Commission would be highly engaged to develop efficient equivalence assessment systems.

■ GOMA's experience with the import requirements of the new EU regulation

In practice, the implementation of control body approvals based on equivalence has been slow and rather non-transparent. Almost three years since the new regulation was implemented the first 30 control bodies were approved in November 2011. Now their operation in a range of countries from Armenia to Vanuatu should expand market access for many producers. Many of the listed control bodies are indigenous to the developing countries or local subsidiaries

of global-scale control bodies, and therefore should be able to offer reasonably priced and culturally sensitive certification in their region. But many poor producers are still excluded.

There is a long way to go before the approval system includes all countries and producers that deserve market access. Furthermore, it is difficult to see the basis for the decisions, as there are no published criteria for what can be considered equivalent except for Codex Alimentarius Organic Guidelines (CAC GL/32). Therefore the opportunity for new applicant control bodies to learn from the first round of approvals is low.

Without criteria and guidance, most control bodies in third countries have submitted dossiers based on standards that are more-or-less proxies for the new EU regulation rather than standards that were developed to be regionally appropriate. (The Commission clarified that under the equivalence option, control bodies were prohibited from submitting only the EU regulation, as that would be restricted to the "compliance" option for imports.) Therefore, we question whether the equivalence option achieves the goal of recognising regionally appropriate standards that also meet the principle objectives in the new EU regulation.

There are also some weaknesses of the current system to address. The approvals are limited to working in countries where the control bodies have already worked. It is not clear how control bodies may expand certification into new countries, nor is there a clear path for expanding the scope of standards with which a body operates.

An example is the East African Organic Products Standards (EAOPS). The GOMA project has been supporting its recognition by the EU Commission. These standards were developed in a model public-private stakeholder process supported by IFOAM, UNCTAD and UNEP, and they are now owned by the East African Community. It seems possible for already approved control bodies using one standard to reapply to the Commission for using a second or even a third or fourth standard that is regionally appropriate, but the country-limited applications

¹ More info on GOMA at website: <http://www.goma-organic.org/>

requirement makes this challenging. It was a complicated process of discovery by GOMA representatives to identify the best way for a control body to apply for an extended standards scope. Written guidance from the Commission on these and other nuances regarding the approval of control bodies using equivalent systems would be helpful.

The third country list has not grown significantly since the new EU Regulation, and it includes few developing countries. This list stands at 11 countries. Only Argentina and Costa Rica, relatively advanced developing countries, are part of this list.

■ Outlook for continuous improvement of access mechanisms to EU organic markets

There has been an increasing emphasis in the EU regulation on *equivalence* to approve imports as opposed to the *compliance* approach. The EU has signed bilateral equivalence agreements between two major trading partners, Canada and the US, which substantially improve trade flows. However, these do not mean better access for producers in developing countries.

The new EU regulation provides for direct approval of control bodies operating in third countries under equivalence requirements, and this has the potential to benefit developing

countries. However, the mechanisms of this process are not very transparent, and still burdensome. There has been progress on market access, but there remains opportunity to improve it with more efficient and open approval systems.

Through the partnership of FAO, IFOAM, and UNCTAD, equivalence tools are available to increase the efficiency and standardization of the process. These tools give the prospect of multilateral equivalence, which can advance equivalence significantly compared to unilateral and bilateral approaches. Governments have begun to experiment with these tools, but they have not yet been widely used.

Finally, IFOAM's own international system, the Organic Guarantee System, offers several services to the private sector and governments to support multilateral equivalence, and with high potential to extend the scope of equivalence to developing countries and their producers.

Until governments use common equivalence tools and multilateral approaches, there will be bottlenecks in moving toward widespread international equivalence, and producers in developing countries will continue to be disproportionately excluded from international organic markets.

3.13. Pesticides residues in organic food chain

Bavo van den Idsert and Keith Ball

Bavo van den Idsert, Director BioNext, Secretary VBP - Vereniging Biologische Producenten en Handel, van.den.idsert@bionext.nl, www.bionext.nl, www.vbpbiologisch.nl; Keith Ball, Regulation Advisor, IFOAM EU Group, Keith.Ball@ifoam-eu.org, www.ifoam-eu.org

Organic farming limits use of pesticides to a small number of natural substances. However, organic products grow in a world where pesticides and other chemicals are commonly used. Hence the risk of contamination at all stages of production. As with any sector, the organic sector is vulnerable to fraud and the presence of residues in organic products might indicate fraud. Organic regulations oblige all operators to avoid contamination with pesticides and other materials at all stages of growing and processing. Pesticide residues are mentioned in organic regulations as a possible indication of doubt about the organic origin and in that case investigation is needed.

Europe has legislation to control levels of pesticides in foods, based on Maximum Residue Limits (MRL). Member States monitor foods to check that residues do not exceed MRLs. These levels also apply to the pesticides allowed for organic agriculture so all must ensure that they comply with good agricultural practice when using permitted pesticides.

In addition to deliberately applied and accidental contamination with pesticides, there is a wide range of persistent chemicals in

our environment and organic operators must take actions to prevent contamination with these compounds.

There is no common level of contamination above which organic food may not be sold, except for the levels applicable to conventional foods. However, as most consumers expect organic foods to have no or at least very low levels of contamination, there has been a first move to impose levels by a national government. Belgium has set a limit of 1.5 times the Limit of Quantification (LOQ) for most pesticides as the limit in organic foods, and has a strong sampling programme to back this up. Italy also has requirements based upon the limit of 0.01mg/kg for residues of non-permitted plant protection products in all unprocessed organic agricultural products and a strong requirement for sampling and testing by control bodies.

There are private initiatives to agree limits on pesticide levels and actions in case of residue detection. These are predominantly trade initiatives, designed to protect traders and their customers from concerns over pesticide levels in traded organic goods. These initiatives include the BNN



(Bundesverband Naturkost Naturwaren Herstellung und Handel e.V. - Organic Processors and Traders Association) in Germany and BIOKAP residue-monitoring by VBP (Vereniging van Biologische Productie- en handelsbedrijven) in the Netherlands. These include systems where members submit results to a common pool, to enable exchange of data on detections and take appropriate actions when action-levels are exceeded.

For practical reasons these initiatives took the European baby-food level of 0.010 mg/kg as an action-level for organic products. The action level is the starting level from where there must be investigations. They also use it as the level above which there is a suspicion that the product may not be from organic agriculture. EU Organic regulations require that if there is such a suspicion the product must be held and not sold as organic until that suspicion has been removed, but do not define the level at which that suspicion should begin.

In contrast the US sets a maximum limit of 5% of the normal tolerance level for contaminants in conventional foods as the level for organic foods. Above this level a product may not be sold as organic.

To help European growers, traders, processors and certifiers manage residue issues, the IFOAM EU Group started work in 2010 on a set of guidelines on residues. They were developed by the Specialist Group on Organic Processing (IFOAM EU

SGOP), consulting with IFOAM EU Group members. The text was first published at a conference in Łódź, Poland in October 2011, and was presented to the Commission via the Advisory Group on Organic Farming in November 2011. The formal launch of the document was at Biofach in February 2012. A copy can be found on the IFOAM EU Group website: <http://www.ifoam-eu.org/workareas/regulation/php/guidelinesresidues.php>.

The IFOAM EU Group guidelines are based on the baby food levels, as the investigation level, with adjustments for uncertainty and for concentration factors. They include a few exceptions where natural plant chemicals interfere with residue analysis.

The guidelines are 'work in progress' and will be amended with experience, including improving the sampling and testing recommendations and changing interpretations etc. The IFOAM EU Group is keen to work with other bodies to improve them. In particular we eagerly await the publication of the European Organic Certifiers Council (EOCC) document on guidance to certifiers and we hope to align our guidelines with theirs.

The aim is to provide a common approach that may be used by all stakeholders in the EU organic sector. The IFOAM EU Group welcomes input from interested stakeholders in order to improve this document annually.



A strong chain of strong companies to secure organic quality

Trust is good, quality monitoring is better

Around 20 Dutch companies have cooperated since 2008 with the certification body Skal in the BIOKAP monitoring system for all organic vegetal ingredients.

Every year more than 1.000 pesticide residue analyses are made and shared by the participants. What do we do with these data?

- BIOKAP established action-values and contributed to the IFOAM EU guidelines for pesticide residues
- BIOKAP recognize difficult quality topics, like the 4 IPA in cumin-seeds, the glyphosate case and cooperated with FiBL to find the right answers
- BIOKAP monitor labs and discuss with them quality topics in the field of analyzing methods
- BIOKAP uses the database for risk analyses: which crops (from which countries) shows serious risks
- BIOKAP cooperates with the certification body Skal to identify risks and find answers from CB's
- BIOKAP contributes to reduce risks and to improve organic quality



For further information: www.biokap.com

4. CURRENT DISCUSSION ON DEEPENING OF ORGANIC RULES

4.1. Extending EU rules on new categories of organic products

Keith Ball

Keith Ball, Regulation Advisor, IFOAM EU Group, Keith.Ball@ifoam-eu.org, www.ifoam-eu.org

Organic Regulations (EC) No 834/2007, (EC) No 889/2008 and (EC) No 1235/2008 are limited to agricultural products. Most agricultural products are used for food, and therefore are covered by organic regulations, but many products made from agricultural crops are not foods, so are regulated by other Commission departments. In general, other Commission departments are not working on organic issues, leaving everything for DG Agri, who have expressed reluctance to extend these regulations into areas outside their responsibility.

One exception to this is aquaculture, which is regulated partly by DG Mare. However, there is close liaison with DG Agri and final decisions on aspects of organic aquaculture are done by DG Agri and in particular by SCOF. This has led to the organic aquaculture regulation.

The following is a brief summary of the situation, the needs and opportunities for organic certification and the alternatives where no organic regulations are available.

Article 59 of Regulation (EC) No 889/2008, include the following: "This Chapter shall not apply to pet food and feed for fur animals" Therefore, it is not possible for organic pet foods to be certified under the regulation or carry the EU logo. In some states however there are national or private standards for **organic pet food** and some certifiers are happy to certify these products.

Cosmetics are an increasingly competitive market. There is no EU legislation for **organic cosmetics** and few national regulations. One exception is Austria. In general the use of organic claims in this area is governed only by general consumer protection law. Cosmetics are subject to regulation by DG Sanco. They are in the process of defining organic cosmetic ingredients for Cosmetic Regulation (EC) No 1223/2009. This will accept the definitions agreed by the International Standards Organisation (ISO), which has a working group developing international definitions for organically grown cosmetic ingredients. This process could be subject to unwelcome influence from larger non-organic

manufacturers and therefore needs strong input from the organic sector. Even when this important work is completed there may still be critical disagreements to moderate. In particular, in Europe there are two main standards setters for cosmetics, COSMOS-standard, which has been established by the main organic and natural cosmetics standards organisations (now vested in an independent non-profit association) and NaTrue which is an independent body, set up originally by producers of cosmetics. The differences between their standards are small, but their different approaches make agreement on equivalence and the implementation of a common standard unlikely in the immediate future. Outside Europe, NaTrue are closely linked the ANSI standard, and there are links at the certification level that promise improved harmonisation across the Atlantic in future.

There are no commonly used standards for household and other cleaning products and they are not included in organic regulations, although cosmetic standards may apply in some cases. Ecological labels such as the EU Ecolabel are strong, but they do not relate to organic production particularly.

Regulation (EC) No 1254/2008 was the first regulation covering organic yeast. It should now be possible for regulations governing other micro-organisms such as microbial cultures used in the production of organic dairy products. One additive, Rosemary extract, is already required in organic form, but several other additives and processing aids such as the gums and waxes could easily be organic, with no, or only minor, changes to the regulation. Similarly, it should be possible to produce enzymes in organically certified substrates in the future.

Traditional Herbal Medicinal Products are regulated by National Agencies with input from DG Sanco. While it is clear that registered medicinal herb products may be called organic there is no common guidance or regulation on the form of that claim, or on use of certifier's logos.

Unlike many of the areas above, the control of **organic textiles** seems to have reached a successful and agreed



situation where one standard, the Global Organic Textile Standard (GOTS) predominates. This has enabled the sector to develop to the point where accredited certification bodies can certify products throughout the world to those standards and free trade in certified materials can expand giving a strong sector. In 2011 the USDA National Organic Programme formally recognised the GOTS; similar recognition of GOTS by the EU would enhance the scope of this internationally recognised standard.

The situation regarding **organic catering** varies throughout the EU. This is because Article 1 of Regulation (EC) No 834/2008 clearly leaves it up to member states to apply national rules if they so choose. While this creates different markets throughout the EU, this is not causing major concern for operators as there is very little cross border trade in mass catering.

In **livestock production** several species have no specific standards within the regulation. These include, for example, Deer, Camelids, Babalus (Bison) and Lagomorphs (Rabbits, etc.). Some private and national standards fill these gaps and some producers manage within the existing regulation. Similarly, there are limited examples of production of aquaculture species not covered by the regulation. Many would welcome extension of the scope of the regulation to include species for which there are currently no specific standards.

Another area that could be covered by the regulation is **biofuels** which use that collective name but usually have no organic (bio) element. It is time to regulate this to ensure that organic energy crops and the energy products derived from them are regulated. Finally, woodland products other than wild harvest crops, such as timber, and forestry products could be certified as organic if there were EU-wide standards for organic forestry. This could easily be linked in to carbon

certification and would enable the most sustainable form of forestry to market itself strongly as organic.

There are other areas that are implicitly included in organic regulations, but have insufficient mention within the current versions of organic regulations to enable consistently agreed production to take place throughout the EU. **Greenhouse production** is the subject of vigorous debate in the EU and the IFOAM EU Group has been active in working with stakeholders to provide informed guidance in this area. The Commission has referred this issue to the Expert Group for Technical advice on Organic Production (EGTOP) to provide guidance on the development of detailed standards for greenhouse production. EGTOP will also soon start on poultry production, and will make recommendations for the clarification and development of current organic regulations, particularly with respect to breeder flocks. As with standards for organic production of poultry and for greenhouses, the IFOAM EU Group has made progress in drawing together the views of the organic sector.

There is no doubt that these important areas will benefit from clear standards to both extend and clarify the scope of current regulations. **Organic processing** is also on EGTOP's agenda including the review of the lists of additives and processing aids in Annex VIII. It is hoped that progress may be made on the subject of environmental performance of organic operators in the food chain as proposed by the IFOAM EU Group.

The Commission is due to report shortly on the progress of EU organic regulations in the last three years to the Parliament and the Council. We expect evaluation of organic regulations following this report for 2012-2013 and this provides an ideal opportunity to introduce regulations to cover some of the gaps identified above and thus encourage organic operators to supply the ingredients for these new products.

4.2. Flexibility, the unused option to move the organic regulation forward

Sybille Kyed

Sybille Kyed, Senior advisor on politics and organic farming, Organic Denmark, sk@okologi.dk, www.okologi.dk

Room for flexibility must be created within organic regulations to ensure that organic farming will continue dynamic development towards its aims and principles. This must be achieved without leaving any country behind but must allow the sector to react to future expectations. Dynamic development is crucial to

maintain consumer confidence in organic production. IFOAM EU Group's view is that this can be done by an amendment of Regulation (EC) No 834/2007 and by introducing a procedure within Regulation (EC) No 889/2008 that enables Member States to apply for derogations for specific needs.

■ The need for flexibility within EU organic regulations

The EU includes very different countries with various traditions, cultures, possibilities and, not least, experience within their organic farming communities.

The implementing rules of the organic farming, Regulation (EC) No 889/2008, are a snap-shot of the stage of development in the sector and in farming practice at the time that regulation was adopted. In some areas the rules are complete compared to the aims and principle of organic food and farming, while in other areas the sector has not yet fulfilled its own vision for organic practice.

For the organic sector to develop where it falls short of its own principles, or where new opportunities have appeared, it is necessary to allow organic production to progress towards the principles, without either leaving behind disadvantaged states or regions, or holding back states that wish and are able to develop beyond the current situation.

Experience shows that the differences between countries have made it very difficult to develop the implementing rules. Organic regulations will stagnate and prevent improvement of the sector at the EU level, if the frames of organic farming and food processing do not encourage development. However if the Commission enforces faster improvement of the implementing rules, e.g. through the system of delegated acts introduced by the Treaty of Lisbon, there is also a risk that countries with a less developed organic sector will never manage to develop a viable organic sector in their territory.

Flexibility is also needed to allow the sector to react to new demands, such as including provisions targeting climate change. This option will be needed to shape the organic sector for the future.

■ Derogations and the legal framework

In the old Organic Regulation (EEC) No 2092/91, there were many derogations. Some were meant to be temporary and should be removed, one by one, as the sector develops; others were more permanent, linked for example to specific climatic or geographic differences.

Examples of these derogations include the use of micro nutrients, external manure input, plant protection products, the use of non-organic plant material and seeds, the use of non-organic feed and livestock, rearing in outdoor pens, certain mutilations like dehorning and castration of bulls and piglets and the use of non-organic ingredients and processing aids in food processing.

In addition to those derogations that were included in Organic Regulation (ECC) No 2092/91 and continued in Regulation (EC) No 834/2007, the old regulation also contained a possibility for Member States to apply stricter standards for livestock production in their own territory. Recital 24 of Regulation (ECC) No 1804/99 said: "The current diversity of established practices for organic production of livestock between the Member States requires that it should be possible for Member States to apply more restrictive rules for the livestock and livestock products produced in their territory."

Article 12 of Regulation (EEC) No 2092/91 said: "However, with regard to the rules referred to in Annex I, part B, concerning livestock production, Member States may apply more stringent rules to livestock and livestock products produced within their territory, provided that these rules are in compliance with Community law and do not prohibit or restrict the marketing of other livestock and livestock products that meet the requirements of this Regulation".

Recital 24 and article 12, together, reflected the opinion of the Economic and Social Committee that was published on the 28th April 1997, during the preparation of the legal act that included animal production in the old regulation:

1.13. The Committee does, however, realize that the large regional variations within the EU regarding natural conditions and climate, together with differences between different species of animal, make complete harmonization impossible. A certain degree of flexibility must therefore be provided for, to enable Member States to introduce national provisions which do not clash with the basic requirements for organic production, and without leading to distortion of competition. The national certification authorities should comply with EC standards 45011 and 45012.

1.14. The Committee believes that rules based on these variations must be decided by national inspection authorities, in cooperation with the relevant producer organizations, inspection authorities and consumer representatives. The decision should then be referred to the Commission and the Member States for possible objections, in which case the provisions of Article 14 of Regulation 2092/91 would apply.

Nevertheless, when Regulation (EC) 834/2007 was adopted, the possibility to adopt stricter rules at national level was abandoned. Article 34.2 of Regulation (EC) No 834/2007 only allows member states to apply stricter rules where those are also applicable to non-organic production.

The main difference between article 12 in the old regulation and article 34.2 in the new regulation is that article 34 is only about free movement across borders, whereas the intention



behind the provision in article 12 in the old regulation was to provide a possibility for Member States to apply an approach to the organic principles reflecting a situation that was specific to the Member State concerned.

■ Obstacles for flexibility and dynamic development

Currently there are three obstacles that prevent flexibility from allowing a dynamic development within organic farming as described above.

1. According article 22 of Regulation (EC) No 834/2007 flexibility within organic regulations must be adopted as implementing rules amending Regulation (EC) No 889/2008. So far the Commission has proposed no new derogations that did not already exist in the old organic regulation.
2. There is no procedure to allow Member States to apply for derogation based on specific needs.
3. There is no possibility for Member States to apply for stricter rules.

■ Improved possibilities for flexibility and dynamic development

IFOAM EU Group believes that two actions should be taken to allow improved conditions for flexibility and dynamic development.

1. Amendment of Regulation (EC) No 834/2007 to allow Member States to apply stricter rules.
2. Providing a procedure within Regulation (EC) No 889/2008 bearing reference to article 22 of Regulation (EC) No 834/2007 that enables Member States to apply for derogation in case of specific needs.

Preferably both actions should be taken although either one could be taken without the other. Only amending Regulation (EC) No 834/2007 to allow Member States to apply stricter rules within their territory would to some extent release the pressure for improving organic regulations. However although important, the potential is limited, as the degree to which it will be explored will be restricted by a fear among operators of damaging their own competitiveness towards other countries, if they must comply with standards that are stricter than those applied in the rest of the EU. Some steps must be taken by the majority at the same time and it is the responsibility of the Commission to drive this development.

Only providing a procedure for Member States to apply for derogations would leave those countries that have just Organic Regulations in place in a situation where they would need private standards to react to national or international situations that allow them to go further than the common standards. That does not satisfy the organic sector in all countries.

4.3. Going towards 100 % of organic feed

Dorota Metera and Carlos Palacios Riocerezo

Dorota Metera, President of BIOEKSPERT Ltd., dorota.metera@gmail.com, www.bioekspert.waw.pl; Carlos Palacios Riocerezo, Dr. Veterinary, Professor at the Faculty of Agricultural and Environmental Sciences at the University of Salamanca, specialist in nutrition and reproduction of small ruminants, carlospalacios@colvet.es, carlospalacios@usal.es, phone: 0034659909488, www.usal.es

The discussion on organic feed is still a dialog between the fundamental rules in organic agriculture and the reality of market development. It is obvious that everybody engaged in the development of organic farming by heart and soul supports the idea that all raw materials used for organic animal feed should originate from an organic system or, in cases where that it is not possible, from other sustainable systems. However, the structural and climatic differences between the Member States cause problems in practical implementation for farmers, processors and traders.

The IFOAM EU Group has always supported the development towards 100% organic feed for ruminants, and recently also for monogastrics. However, we always stress that the steps to

achieve this goal must be made sensibly, in order to give the farming side the chance to continue production, to prevent animal welfare problems at any stage during the transition, and to maintain secure supply for the consumers.

■ Role of policy makers

One of the most important roles that the policy makers can play is in creating a positive atmosphere and supporting farmers, processors and feed processors striving towards the aim of 100% organic feed by positive policies and financial instruments. An example could be the “step-by-step” approach to change organic regulations, gradually reducing the percentage of non-organic raw materials while giving

a clear indication that the goal is 100% organic feed. This process gives the chance to the producers to look for sources of organic ingredients.

Additional support to this approach could be given by financial mechanisms such as financial support for farmers, particularly organic farmers, growing leguminous crops for animal feed. These programmes must be consistent in order to harvest and deliver the products to the feed chain. The organic animal feed business must be also involved in the programme in order to prepare their processing and trade programmes to fulfil the expectations of organic farmers and to ensure reliability of that separated branch of production that demands such special treatment.

■ Role of business

There is a well documented lack of protein for animal feed in the conventional animal production system in Europe and we can observe this problem in organic systems. The most important protein components of animal feed, soybeans, are in most cases grown in the opposite hemisphere due to climatic and economic reasons. Without a clear signal that farmers will be ready to pay more for 100% organic animal feed and finally that the consumers will be ready to pay more for such organic animal products, the feed business remains unwilling to change their feed formulae towards EU grown ingredients. In most cases it is only a question of the price, but in some less developed EU states, where there are as yet no organic animal feed processors, the obligation of 100% of organic raw materials in animal feed will stay as a barrier to the start of that sector.

The organic feed manufacturing industry should be doing their part to help to change to 100% organic feed, by changing to formulae with increased proportion of local leguminous ingredients and investing in innovation & development to provide sufficient vegetable protein of the required quality. To help the “step-by-step” change towards 100% organic feed it is important to support the animal feed processors, farmers and organic food chain with an information campaign for the consumers to spread the message why the products are more expensive and the added value in the products represented by the increased proportion of organic feed, and additionally produced in Europe.

■ Role of the science

Science must play a proactive role using all possible inventions to look for solutions for both the long and short term. Recent trends of “competitiveness” in organic systems have changed animal production methods towards more intensive

production. In particular, the results of breeding programmes and the global dispersion of animal diseases have, in some cases, increased the intensification of the rearing of animals on the farm. The new challenges of the markets should inspire the scientists to look for innovations, within the objectives and basic rules of organic farming. Also semi-extensive systems adapted to indigenous breeds and sustainable systems should be developed due to their added benefits for the environment. Research groups working on these new priorities need intensive support. Always the balance between innovation, reliability, sustainability and consumers' expectations should be kept in mind.

■ Role of farmers

The co-operation of farmers could play a crucial role in the common search for solutions in the process towards 100% organic animal feed. Formal or informal producers groups could jointly plan the cultivation of feed crops and look for suppliers of the necessary raw materials and feed formulae. That process is already taking place in some regions, but there are barriers due to the dispersion of organic animal farms in big countries. In countries with emerging markets, historical prejudices for co-operation in the post-socialist block and modern “competitiveness” also reduce the effectiveness of common approaches. The national advisory system and organic farmers' organisations should be involved to help, for example, by the organisation of seminars to exchange information and to remove barriers for co-operation, but this takes time. Throughout this process, we must take into account the technical advice to organic farmers of agronomists and veterinarians. These experts must also participate in the process, and must be trained to advise and support the system through this change of mentality. Together farmers, experts and others will transform areas of production systems such as the breeds used and their nutritional intake.

■ The IFOAM EU Group

The IFOAM EU Group is the platform to facilitate the exchange of views from different perspectives: producers, processors, traders, technicians, scientists and policy makers, for better understanding of the problems to enable a collective search for solutions to achieve consensus acceptable for all stakeholders. We must always keep in mind the consumers' expectations towards quality and price of organic products, because the consumers will have the last word.



4.4. Future of rules for organic processing and food – towards sustainability

Alex Beck and Yvonne Henkel

Dr. Alexander Beck, Managing Director, alex.beck@aoel.org; Yvonne Henkel, Environment & Sustainability Management, yvonne.henkel@aoel.org, Association of Organic Food Producers (Assoziation ökologischer Lebensmittelhersteller - AoEL), www.aoel.org

■ Sustainability in food production

The term sustainability is widely used today. Everybody is talking about it but there is no concrete definition of what it actually means. The food sector uses the term excessively for advertising and green washing.

We must learn that our planet, the only one we have, has fixed boundaries. Failure to learn this will invoke terrible consequences. The fear that this will become a reality was the basis for the organic movement, which has grown to a significant market with €20 billion turnover in Europe today.

Therefore, the food sector must change into one that takes its full ecological, social and cultural responsibility. The organic food sector should take over responsibility for showing what practical implementation of a sustainable system could look like.

■ Sustainability and environmental orientation of the organic food chain

This means that we have to develop on private and company levels concepts that help the conversion to a sustainable food system. First step will be the promotion of operators in those food chains that are ecologically friendly, fair and marketable. In doing this we must avoid following of the popular single issue concepts such as CO₂ footprint. We should instead concentrate on an overall strategy. The strength of organic is the systems approach with its holistic concept in the background.

We know that consumers expect organic products produced, processed and traded in an environmentally friendly way. Nevertheless today environmental performance is only partially included in requirements of the organic regulation. We think it is now time to change this.

Lately, the debate on the Ecolabel for food has demonstrated clearly that even on the political level there is need for further development of the organic regulation towards more environmental orientation over the whole food chain.

Therefore, we must establish chain-oriented environmental concepts in organic regulations as soon as possible. This is mainly relevant for those concepts that have been tested and established in practice. Our target must be to optimize

environmental performance of the organic food chain and, in consequence, of organic foods. Organic foods must be the overall concept for the most advanced holistically oriented sustainable product group in the food sector.

In accordance with the requirements of Article 3 and 4 of Regulation (EC) No 834/2007, the IFOAM EU Group proposes to introduce further requirements for the ecological performance of operations involved in organic farming, processing and trade.

The basis for the evaluation of ecological performance of an operation is the availability of management procedures to create relevant data on that performance. Therefore, the IFOAM EU Group recommends to introduce into organic regulations as a first step the requirement that an organic operation must implement an environmental management system. This system should guarantee that the company has established “(an) effective instrument(s) to measure and evaluate its environmental performances and impacts”. The Commission should introduce these requirements into the regulation taking into account the type and size of the operation. The system must be effective and should not be a bureaucratic burden, especially on small operations.

■ Need for an update of EU organic food processing rules

For a number of years there has been no revision of the technical details for processing of organic foods. In doing so, the most important task is to protect or enhance the authenticity and naturalness of organic foods and to choose requirements that contribute to achieving consumers’ trust. We have to recognize that the legal surroundings have changed. The new Regulation (EC) No 1331/2008 for additives, enzymes and flavours creates a need to adapt organic regulations and provides a number of new regulatory challenges for the organic sector.

■ Additives and techniques allowed in organic processing

Article 19(3) of Regulation (EC) No 834/2007, establishes the possibility to exclude processing methods from being used for the processing of organic foods. It is a step forward but still needs to be properly implemented. Techniques should be evaluated for compliance with the aims and principles of

the organic regulation. Decisions on whether the techniques should be allowed will be needed in case of conflicting views and these may need to be reviewed by EGTOP. A debate in the organic sector is needed to determine techniques which should be banned in organic production. However, there is a consensus in the sector that ion exchange and adsorbent resin technologies should be prohibited (with exceptions for specific applications, like production of organic infant formula milk products with reduced mineral levels).

It is the aim of the IFOAM EU Group and the organic sector to keep the Annex VIII as short as possible, in line with the principle that organic food should be produced with the minimum use of additives and processing aids, consistent with careful processing practices. Annex VIII should stay up to date to reflect the general food regulation and technology changes and the availability of organic materials. Annex IX needs in-depth revision as many listed products are already widely available in organic quality. It is foreseen that EGTOP will provide its advice on these topics this year, which will bring closer the revision of those annexes.

■ Availability of technical ingredients in organic quality

A number of substances listed in Annexes of Regulation (EC) No 889/2007 such as Locust bean gum, Guar Gum, Arabic Gum and Carnauba Wax, and products such as microorganisms and natural flavourings components listed in article 27 are today available in organic quality. To promote the production and the use of such organic certified ingredients, we propose legal mechanisms to establish the availability of these substances in organic quality.

■ Microorganisms

We must also reconsider the use of microorganisms. The review should include more clear specification of the question of how the cultures are used and when (at which stage(s)) the multiplication must be done on organic substrates. There may also be a need to restrict the use of cultures that produce substantial amounts of specific antibiotics or other substances, considered potentially harmful to human health

Together for best organic foods



AoEL companies work together for:

Healthy organic foods

Environmentally friendly production

Sustainable corporate governance

Assoziation ökologischer Lebensmittelhersteller e.V., Dr. Gartenhof-Str. 4, 97769 Bad Brückenau
Tel.: 09741/4834, email: kontakt@ aoel.org



or that contribute to development of antibiotic resistant strains. On the other hand, we believe that organic yeast could be obligatory when available in sufficient quantity and quality. Bakers' yeast should therefore be excluded from the scope of article 27(1)b of Regulation (EC) No 889/2007 at some point in the near future. Organic microorganism cultures should be used in other areas such as dairy and fermentation industries as soon as they become available and technologically suitable.

■ Enzymes

Regulation (EC) No 1332/2008 now covers technical enzymes. This creates a need to adapt the organic regulations. Technical enzymes for processing of organic food should be regulated in a positive list. This list may be developed when the proposed list of conventional enzymes permitted in food is published.

■ Flavourings

Requirements for flavourings in Regulation (EC) No 889/2008 must be adapted to the new flavourings Regulation (EC) No 1334/2008. This review would give the opportunity to enable and encourage the development and use of organic natural flavours over the next few years. We need specific additional requirements for the production of these products in order to allow an appropriate development of the market. We suggest the following requirements for organic flavours, as a starting point:

1. The organic flavourings must contain minimum 95% organic ingredients.
2. All ingredients of organic natural flavourings referred to a named plant mentioned on the labelling of the final product must come from that plant. For example, organic natural lemon flavouring must contain only flavouring ingredients derived from organic lemon plants.

3. Composed flavourings consisting of flavour components must fulfil points 1 and 2.
4. Processing of the components of an organic flavouring must follow the requirements of the regulation including the technical details given in article 27 and Annex VIII of Regulation (EC) No 889/2008.
5. An organic ingredient shall not be present together with the same ingredient in non-organic form in an organic flavour.
6. Only carriers which are organic foods (ethanol, oil, fat, maltodextrin, etc.) and water are accepted for the production of organic flavourings.
7. Additives, solvents and processing aids may only be used for the production of organic flavours if listed in Annex VIII A or B of Reg. (EC) No 889/2008.

Organic flavourings should be used if available in sufficient quantity and quality. A mechanism for monitoring and publicising availability of technical ingredients in organic quality, as mentioned above should apply for use of flavourings.

Further, we think it is important to clarify the use of liquid smoke flavour preparations. The IFOAM EU Group proposes to permit natural liquid smoke flavour (pure water condensate) for the processing of organic foods. For consumer interest, we propose that the labelling of traditional smoking and liquid smoke flavour must be clearly distinguished.

With adoption of the above requirements the IFOAM EU Group believes that the organic food sector will continue to develop to remain in the forefront of the development of sustainable food systems. There will be more changes needed in the future as availability of organic ingredients increases and as technology and consumer perception moves forward. The IFOAM EU Group will continue in its role of pressing for changes according to the requests of our members.

4.5. Revision of EU organic rules for poultry production and rearing

Sybille Kyed

Sybille Kyed, Senior advisor on politics and organic farming, Organic Denmark, sk@okologi.dk, www.okologi.dk

The organic rules on poultry production have needed revision for many years. Intensification of the production, uncovered subjects, continuing welfare problems and even unclear expectations of the nature of organic poultry production makes a revision urgent. NGO stakeholders, unified in the IFOAM EU Group, as well as some Member States, have communicated their proposals for revision to the Commission.

Since 1999 when Regulation (EC) No 1804/99 was adopted, there have been common EU standards for organic poultry production. They cover egg layers and various poultry for meat production. The need for further revision was already recognized before the revision of Regulation (EEC) No 2092/91 that became the new regulations, but this task was not addressed due to the fact that more time was needed for investigation to reach an acceptable solution for all Member States.

The organic poultry sector has changed dramatically since 1999. Generally, the poultry sector has developed into a specialised, rather intensified and centralised production system. This obliges the union to decide which developments can be accepted if organic poultry production is to survive, but also to avoid a violation of the aims and principles of organic farming. The review must also keep consumer expectations in mind.

Poultry production sometimes treads a fine line in respect of welfare. Feather pecking and even cannibalism appear in some systems despite efforts to avoid these unacceptable behaviors. The problem is complex, relating to rearing system, feed, breeds and management. Therefore, it may be too difficult to solve by detailed provisions. However, the regulation must reduce the risk that intensification adds to welfare problems and denies birds' developmental, physiological and ethological needs.

Two recitals in organic regulations have special importance for the revision. Recital 1 in Regulation (EC) No 834/2007 states: "...The organic production method thus plays a dual societal role, where it on the one hand provides for a specific market responding to a consumer demand for organic products, and on the other hand delivers public goods contributing to the protection of the environment and animal welfare, as well as to rural development." Discussion of the meaning of: "contributing to rural development" must be part of the discussions of appropriate provisions for poultry production.

Recital 10 in Regulation (EC) No 899/2008 states "These specific housing conditions should serve a high level of animal welfare, which is a priority in organic livestock farming and therefore may go beyond Community welfare standards which apply to farming in general. Organic husbandry practices should prevent poultry from being reared too quickly. Therefore, specific provisions to avoid intensive rearing methods should be laid down. In particular poultry shall either be reared until they reach a minimum age or else shall come from slow-growing poultry strains, so that in either case there is no incentive to use intensive rearing methods."

■ Legal work

Many amendments are needed. The IFOAM EU Group has communicated to the Commission about 20 amendment proposals and 10 definitions that should be introduced¹.

The IFOAM EU Group published a position paper in 2004 giving recommendations for improved poultry standards. We updated this paper with a new one in August 2010, supplemented in February 2012. The IFOAM EU Group is working on further positions to be available later in 2012.

Meanwhile the Commission started to work on poultry standards in February 2012. The Expert Group for Technical Advice on Organic Production (EGTOP) is to prepare recommendations for revised poultry standards for SCOF.

■ Main topics to be addressed

The main topics that should be investigated and are relevant to bird welfare and intensification are as follows:

- **Provisions for pullets and parent production.** Experience and research show that pullets reared organically have less risk of developing behavioral disturbance once they are introduced to the final housing than non-organically reared birds. This raises questions about provisions for parent production to comply with article 8 of Regulation (EC) No 889/2008, which obliges farmers to use animals of organic origin and to use breeds and strains specifically suited to organic systems.
- With reference to parent production a decision is needed whether the outdoor area can eventually be replaced by access to a veranda. There is no indication that parent stock should be more susceptible to disease or parasites but the pyramidal structure of the breeding makes the sector very vulnerable if the parent stock should have a problem that either stops production or is transferred to the next link in the chain.
- **Multilayer systems** operate in some countries but not in others. It seems that they were not really considered for organic production in 1999 and some countries had a general ban by law or through agreements in the market. Nevertheless, the system was taken up by organic farmers in the Netherlands in 2000 and it has become quite important there and in Sweden. It is now gradually taken up in more and more countries. Still a decision is needed. Not all stakeholders are in favor of the use of multilayer systems within organic production and in any case, the lack of definition of "net area available to animals" in organic regulations makes calculation of allowed stocking density in multilayer systems unclear. Multilayer systems also raise questions, such as the number of levels allowed above the floor, stocking density on the floor, space between the shelves and ease of access to the outdoor area.
- Verandas or winter gardens have become an integral part of many organic poultry houses. They enable feeding of roughage and can provide activity for the birds and an exercise area during times when the access to the outdoor area is not possible due to weather conditions or pest alarm. Some farmers choose to build a veranda voluntarily, while in some states the veranda is mandatory due to

¹ http://www.ifoam-eu.org/positions/Papers/pdf/Position_IFOAMEU_Organic_Poultry_Production_01.2012.pdf.



private standards on organic production. Verandas are not mentioned in organic regulations so there is no common practice for calculation of the stocking density in a house where the birds also have access to a veranda. In some countries, the veranda is considered as part of the house; in others it is not or it can only partly be considered as part of the house.

- Access to outdoor areas, quality of outdoor area, including minimum outdoor area required and application of a fallow period. The access to outdoor area should be one of the important aspects of organic husbandry to meet high bird welfare. The absence of technical requirements on the quality of the outdoor area and national and regional climate differences has led to diverse practices. Further, annex III of Regulation (EC) No 889/2008 that should fix the maximum stocking density in the outdoor area, is unclear. It says: “m² of area available in rotation/head”, without revealing whether the birds should have had access to at least 4m² at any time or whether it is sufficient that they had access to the full 4m² when the rotation is finished. Combining these with the fact that the competent authority in each Member State must decide the length of fallow period between two batches of birds, means that there can be a difference between Member States of a factor two on how much land is needed for yearly production of an egg layer. This leads to market distortion and the access to outdoor area does not serve the welfare purpose that was intended.
- Provision on houses. Article 12 of Regulation (EC) No 889/2008 does not state anything on how many birds can be kept in one flock, but only stipulates how many birds may be in one house. It might indicate one house for each group. Nevertheless, some inspection bodies have already accepted division of houses and raising more than one group in one house, as it is considered necessary in order to be able to compete in the farm structure in place in Europe in general. To avoid market distortion it should be decided whether more than one flock is allowed in one house and if so, how they may be separated.

Discussion on the nature and structure of organic farming in respect of contribution to rural development also arises. In article 12.3.f of Regulation (EC) No 889/2008 the total usable area of poultry houses for meat production on any single unit should not exceed 1600 m². This could indicate that there is an intention to avoid big farms in organic farming. The fact that there is no similar provision covering layers might suggest that in 1999, when the first set of provisions of organic production was decided, the concept of large layer production sites was not considered, while it was already in place for broiler production. This situation makes it necessary to decide whether the existing article 12.3.f should be accompanied by similar restrictions on layer production or whether the restriction should be removed for broilers.

4.6. Prospects for new European rules on organic greenhouses

Marian Blom

Marian Blom, Knowledge and Innovation Manager, Regulation Officer, BioNext, Blom@bionext.nl, www.bionext.nl

Greenhouses vary but they are united by the fact that all are structures that create a protected environment for plants. Greenhouses are used in organic production all over Europe. As the Commission has scheduled discussion on organic greenhouses by the end of 2012, we expect the current lack of special rules for greenhouse production to change.

■ Greenhouses in the old and in the new regulation

The old organic regulation made no direct reference to greenhouse production. There was general agreement that it fell under the scope of the organic regulation and was governed by the general rules for organic plant production. EU Commissioner Fisher Boel affirmed this in her answer to Dutch Euro-parliamentarian De Lange in 2008¹.

In the new organic regulations only one new element was introduced that is relevant to greenhouse production. Article 4 of Regulation (EC) no 889/2008, introduces a ban on hydroponic production, a system practiced mostly in greenhouses.

■ Different allowed practices in Member States under the old and the new regulation

General rules on organic plant production apply to organic production in greenhouses. However, a greenhouse enables growers to influence the plant environment more than in the open field. Light, water, temperature, humidity can all be regulated, depending on the technical possibilities of a greenhouse. Organic regulations do not cover any of these practices. Furthermore, due to the

¹ Answer to the written question by Esther De Lange (PPE-DE) to the Commission on August 4, 2008, Ref: E-4427/2008. <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+WQ+E-2008-4427+0+DOC+XML+V0//EN>

generally high capital investment in greenhouses, growers aim for high production per unit area, which requires high levels of fertilisation and puts pressure on the obligation for crop rotation.

Member States have different interpretations to deal with the characteristics of greenhouse production. Some examples are given below.

- Growing in and out of soil is the principal discussion. Many Member States interpret Regulation (EC) No 834/2007 to say that growing in the soil means growing in the upper layer of the Earth's crust. Other Member States allow greenhouse growers to grow all crops in natural substrates, either because they find no legal text that forbids this practice, or because they consider that the biologically active substrates in the containers are soil and therefore in line with the regulation. Sweden and Finland follow one of these lines of thought and Denmark joined several years ago. Therefore, surprisingly, a central value in organic farming, the soil, can mean different things in different Member States.
- There is a common agreement on a few exceptions. Seedlings and plants that are grown in pots and sold together with the pot to the consumer can be grown in natural substrates and described as organic. Some Member States limit the last category to herbs and ornamentals. There is a difference again in the allowed composition of the substrate. The amount of peat allowed differs. Some countries allow soil in the mixture that goes in the pots, others, such as Austria, do not.
- Heating of greenhouses is forbidden, for instance, in Italy. In the Netherlands, the UK and Germany, there is no limitation on the period for which heating is allowed, and in German and French (Brittany) private standards organic producers are only allowed to keep their greenhouse free of frost, whereas Swedish private standards of the Organic Production Monitoring Association, KRAV, require a minimum use of renewable energy.²

■ Renewed attention for greenhouses in past years

In the beginning of this century, the IFOAM EU Group tried to formulate a position paper on greenhouses. At the same time discussion in the SCOF was started. In both platforms discussions stopped before any conclusion could be reached. When, in 2008, the Danish government allowed a greenhouse producer, growing tomatoes in natural substrates, to be certified organic, the discussion revived.

In mid 2008, at the request of several Member States, the Commission stated they would deal with the issue of horticulture in greenhouses³. In October 2008, the EU Commissioner Fisher Boel said that "there are still several domains where further progress can be made in future, such as more detailed rules for specific (and often fast developing) sectors like organic greenhouse cultivation."⁴

In the following years, SCOF members and stakeholders reminded the Commission of the topic, but the discussion was postponed repeatedly due to higher priority work.

■ Better regulation needed?

There are good reasons why new discussions at the EU level are necessary, which should end with amendment of the new regulation. First, as with all plant production, greenhouse production should strive for "appropriate design and management of biological processes based on ecological systems using natural resources which are internal to the system" (article 4.a of Regulation (EC) No 834/2007). We see that the current regulation, which was not written with greenhouses in mind, does not give enough guidance for greenhouses to really do this.

Second, the market for greenhouse products is international and competitive. Producers consider the difference in allowed practices between Member States to be unfair competition.

Third, in general the organic production system has a very good basis to be a multi-aspect sustainable production system. However, energy use is not regulated and greenhouses in colder climates are heated, meaning that energy is a large input in that production system. Consumers who buy organic believe that it is the most sustainable product, so we are obliged to them to discuss energy use for organic greenhouses and see how we can regulate it.

Fourth, some standards recently accepted by the Commission as equivalent to the EU organic regulation, such as those in the United States and Canada, have rules on greenhouses that differ from the majority of EU interpretation, in that they accept natural substrates. This alone is a reason for current conventional greenhouse producers to challenge the EU rules. The EU should start its own debate and decide for itself what is good organic greenhouse practice.

Finally, there are developments such as rooftop and urban farming that need attention. Local, seasonal production in a greenhouse on top of a building may be considered as organic production.

² From internal consultation IFOAM EU expert group, April 2010.

³ Letter from Commission to Biologica, dd June 4, 2009, title: Organic growing in substrate, ref: AGRI H.3/MF/op D(2009) 130541.

⁴ See note 1



What has IFOAM EU Group done on the topic?

Following the Commission decision to put greenhouses on the agenda, in 2010 the IFOAM EU Group set up an expert group of over 20 experts from more than 10 Member States. This group includes researchers, organic farmers, officials from organic advocacy organizations and certifiers. The principles listed in article 5 of Regulation (EC) No 834/2007 and sustainability criteria were used as a checklist. Advice was given on energy, water, soil and fertilization, conversion, CO₂ use, steam sterilization and peat. On the basis of their advice, the IFOAM EU Group Board adopted a part position on energy, conversion, water use, CO₂ use and steam sterilization⁵. Adoption of a further IFOAM EU position on growing in soil, peat and fertilization is expected in spring 2012.

How will the Commission discuss it?

At the AGOF meeting of November 30, 2011, the Commission presented its plan for 2012. The EGTOP will be asked for advice

on greenhouses. Their first meeting is planned for October 2012. The preceding months will be spent on formulating the mandate and composition of the specialist EGTOP. The EGTOP aims to deliver its advice by the beginning 2013. This means debate in SCOF will start in early 2013.

The Commission has also approved a 3 year COST project starting 2012 aimed at improving the sustainability of organic greenhouse production⁶.

Conclusion

After an aborted attempt in 2001, greenhouse production is again on the Commission's agenda. This is the opportunity to end much of the current controversy and uncertainty in the EU and provide a level playing field for EU organic greenhouse producers for the first time.

⁵ http://www.ifoam-eu.org/positions/Papers/pdf/Position_IFOAMEU_organic_greenhouse_production_01.2012.pdf

⁶ http://www.cost.eu/domains_actions/fa/Actions/FA1105



The Organic Value



CAAE Association

With more than 13,000 members, we organise campaigns and projects and offer services to tackle current environmental protection and economic challenges within the agri-food sector. We are an organisation that promotes and defends organic production as a modern system that responds to the needs and values society is demanding today.



caae.es

Phone: +34 902 521 555
E-mail: caae@caae.es

Follow us on:



Current European legislation relating to organic food and farming

■ The new organic regulation:

COUNCIL REGULATION (EC) No 834/2007 of 28th June 2007 on organic production and labeling of organic products; Repealing Regulation (EEC) No 2092/91. The regulation came into force on 1st January, 2009.
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32007R0834:EN:NOT>

Including amendment:

COUNCIL REGULATION (EC) No 967/2008 of 29th September 2008 amending Regulation (EC) No 834/2007 on organic production and labelling of organic products
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32008R0967:EN:NOT>

■ The new implementing rules:

COMMISSION REGULATION (EC) No 889/2008 of 5th September 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with detailed rules on production, labelling and control
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32008R0889:EN:NOT>

Including amendments:

COMMISSION REGULATION (EC) No 1254/2008 of 15th December 2008 amending Regulation (EC) No 889/2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32008R1254:EN:NOT>

COMMISSION REGULATION (EC) No 710/2009 of 5th August 2009 amending Regulation (EC) No 889/2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007, as regards laying down detailed rules on organic aquaculture, animal and seaweed production
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32009R0710:EN:NOT>

COMMISSION REGULATION (EU) No 271/2010 of 24th March 2010 Amending Regulation (EC) No 889/2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007, as regards the organic production logo of the European Union
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32010R0271:EN:NOT>

COMMISSION IMPLEMENTING REGULATION (EU) No 344/2011 of 8th April 2011 Amending Regulation (EC) No 889/2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R0344:EN:NOT>

COMMISSION IMPLEMENTING REGULATION (EU) No 426/2011 of 2nd May 2011 amending Regulation (EC) No 889/2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R0426:EN:NOT>

COMMISSION IMPLEMENTING REGULATION (EU) No 203/2012 of 8 March 2012 amending Regulation (EC) No 889/2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007, as regards detailed rules on organic wine
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:071:0042:0047:EN:PDF>



■ The new implementing rules for import:

COMMISSION REGULATION (EC) No 1235/2008 of 8th December 2008 with detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32008R1235:EN:NOT>

Including amendments:

COMMISSION REGULATION (EC) No 537/2009 of 19th June 2009 Amending Regulation (EC) No 1235/2008, as regards the list of third countries from which certain agricultural products obtained by organic production must originate to be marketed within the Community

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32009R0537:EN:NOT>

COMMISSION REGULATION (EU) No 471/2010 of 31st May 2010 amending Regulation (EC) No 1235/2008, as regards the list of third countries from which certain agricultural products obtained by organic production must originate to be marketed within the Union (Text with EEA relevance)

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32010R0471:EN:NOT>

COMMISSION IMPLEMENTING REGULATION (EU) No 590/2011 of 20th June 2011 amending Regulation (EC) No 1235/2008, laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries Text with EEA relevance

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R0590:EN:NOT>

COMMISSION IMPLEMENTING REGULATION (EU) No 1084/2011 of 27th October 2011 amending and correcting Regulation (EC) No 1235/2008, laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R1084:EN:NOT>

COMMISSION IMPLEMENTING REGULATION (EU) No 1267/2011 of 6th December 2011 amending Regulation (EC) No 1235/2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32011R1267:EN:NOT>

Commission Implementing Regulation (EU) No 126/2012 of 14 February 2012 amending Regulation (EC) No 889/2008 as regards documentary evidence and amending Regulation (EC) No 1235/2008 as regards the arrangements for imports of organic products from the United States of America Text with EEA relevance

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32012R0126:EN:NOT>

■ The old regulation:

COUNCIL REGULATION (EEC) No 2092/91 of 24th June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs

■ Decisions on EGTOP:

2009/427/EC: Commission Decision of 3 June 2009 establishing the expert group for technical advice on organic production
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32009D0427:EN:NOT>

COMMISSION DECISION of 28 September 2010 appointing the members of the group for technical advice on organic production and drawing up the pool list. (2010/C 262/03)

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32010D0929%2801%29:EN:NOT>

■ Other interpretation documents published by the European Commission

Working document of the Commission services on official controls in the organic sector. Version 8 July 2011
http://ec.europa.eu/agriculture/organic/files/eu-policy/data-statistics/control_guidelines_version_08072011_en.pdf

Guidelines on imports of organic products into the European Union. 15.12.2008 Rev.1
http://ec.europa.eu/agriculture/organic/files/news/download-material/guidelines_for_imports_en.pdf

Term of use for the logo
http://ec.europa.eu/agriculture/organic/files/eu-policy/logo/terms_use_logo_en.pdf

This dossier is a continuation of previous organic regulation dossiers published by the IFOAM EU Group in 2009 and 2010: *"The New EU Regulation for Organic Food and Farming (EC) No 834/2007. Background, Assessment, Interpretation"* and *"Organic Aquaculture. EU Regulations (EC) 834/2007, (EC) 889/2008, (EC) 710/2009"*. The EU legal framework for organic farming provides a standard where rules and annexes are being progressively adapted to new requirements. The present dossier picks up topics currently under discussion, such as:

1. An overview of the development of the new organic regulation since 2009, when the previous dossier was published, with a special focus on organic wine, aquaculture and the EU logo,
2. An outlook on the new decision making process in organic regulation after the Lisbon Treaty,
3. Aspects to assure the credibility of organic production and international trade via national regulation, import rules and private standards. This chapter also gives deeper insight in the Global Organic Market Access, the Italian fraud-case and pesticides residues,
4. A demonstration of the current discussion on deepening of organic rules for new categories of organic products, flexibility and processing rules, organic feed, poultry and greenhouse production

Within each section of the dossier, our experts evaluate the first three years of the new organic regulation. This provides us an ideal basis for future discussions and advocacy for the changing organic sector and vital input to contribute to the ongoing evaluation of Organic Regulations between 2012 and 2013.

Since the creation of the first EU organic regulation in 1991, organic farming became part of the EU Common Agriculture Policy (CAP). Consequently, as a systematic approach to sustainable farming practice, with an EU wide certification system in place, organic farming has established itself as a pioneer in sustainable practices, the delivery of healthy food and a laboratory to further develop ecologically sound farming within the CAP. This dossier evaluates the contribution of the organic regulation, and needs for its further developments, to remain strong in this pioneer role.

IFOAM EU Group – working for organic food and farming in Europe



The IFOAM EU Group is the European umbrella organisation of organic food and farming, uniting and representing the expertise and interests of around 300 affiliates. The members of the Group cover the whole organic production chain, producer organisations, certification bodies, consultants, trade and research organisations and processors as well as environmental and consumer organisations, companies and retailers.

Through our office, located in the heart of Europe's policy-making capital Brussels, we have access to an extensive network covering the European Commission, Parliament, Council and civil society organisations. The IFOAM EU Group is recognised as the leading advocacy group for organic food and farming on the EU political scene.

Within the regulation area the IFOAM EU Group works to improve and harmonise the interpretation of Organic Regulations (EC) No 834/2007, 889/2008 and 1235/2008. Therefore, we co-operate directly with EU institutions, especially, with the Organic Farming Unit, DG Agri, European Commission. In order to provide appropriate proposals to the EU institutions, we consult stakeholders who are experts in certain issues as well as our expert members. These expert members also form our representation in AGOF (Advisory Group on Organic Farming). Christopher Stopes, the IFOAM EU Group President currently chairs this important Commission stakeholder consultation group on the organic regulation.



This publication is co-financed by the European Community, Directorate-General for Agriculture and Rural Development. The sole responsibility for the communication/publication lies with the author. The Commission is not responsible for any use that may be made of the information contained therein.