



**Position on the Commission
proposal for a
new organic regulation**

**A Roadmap towards
sustainable growth
of the EU organic sector**

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I) Introduction

On 24 March 2014 the European Commission published its [legislative proposal for a new organic regulation](#) - complemented by [annexes](#) – and accompanied by an [impact assessment report](#) and a new [European Organic Action Plan](#). This was the result of a process which began in 2012 when the Commission decided to review the current legislative and political framework for organic farming. The Commission completed an impact assessment in summer 2013 and from autumn 2013 worked on a proposal for a new regulation to replace the current organic Regulation (EC) No 834/2007.

IFOAM EU is the umbrella organisation of the European organic movement representing the entire organic production chain and grassroots organisations. With this position paper it seeks to react to the Commission proposal, evaluating the challenges and opportunities facing the sector and putting forward a roadmap towards sustainable development of organic production in Europe.

II) General IFOAM EU position

IFOAM EU shares the Commission's aim for sustainable growth of the organic sector throughout Europe. It recognises the intention of the Commission's proposal for an improved organic regulation and acknowledges the need for further development of the regulation based on organic principles. It is essential that this development will be supported without the creation of obstacles to organic growth. European citizens must continue to benefit from organic food and farming whilst maintaining confidence in the whole organic value chain.

However, IFOAM EU believes that the proposal in its current form is inadequate to achieve these aims and would fail to deliver a vision for progressive, principle-based, organic development.

As it stands the proposed regulation is based on an incomplete impact assessment and ignores many of the recommendations offered by the sector throughout the Commission's regulatory review and revision process. While delivering some valuable elements it presents new obstacles and will add even more burden than before without offering any real benefits over and above the present regulation. In its current form the proposal could lead to a massive decline in organic production across Europe, in particular at the expense of small organic farms and businesses, and less developed regions. It puts at risk a sector that is one of the few positive economic stories

of growing demand for sustainable food in Europe – with a market that meets consumer and community expectations for high quality food whilst protecting and enhancing the environment. It also fails to recognise the diverse situation across all the European member states.

The strategic role of the organic sector goes far beyond the direct benefits provided by organic production. As a leading sustainable food and farming system it is a 'learning camp for sustainability,' generating knowledge, technologies and practices relevant for other food production systems and thus driving the whole agri-food sector towards greater sustainability. Therefore, Europe needs more organic food and farming, not less.

A roadmap for sustainable growth of organic food and farming in Europe is needed that strengthens the competitiveness of the sector, provides new opportunities for operators and maintains and builds upon the high level of trust amongst consumers for organic food. IFOAM EU calls for further development of the organic legal framework based on organic principles, with a better balance between the basic regulation and annexes and the necessary resources needed for good implementation and further innovation. In this context it is now crucial that all EU institutions commit to an ambitious implementation of the EU organic action plan including real funding and support. An organic regulation is needed that supports the development of the sector, based on a progressive step-by-step process with clear vision that takes the diversity of member states, regions and organic operators into account.

In this position paper IFOAM EU analyses the Commission proposal and provides concrete suggestions for how to develop organic food and farming in Europe. However **without substantial changes - as outlined in this paper - IFOAM EU would have no choice but to reject the proposal.**

III) Commission proposal doesn't meet challenges

1) Mixing up "Implementation" problems with the "Regulation"

One of the main misunderstandings in the process of drafting a new organic EU regulation has been the assumption that there is a problem with the "regulation" and with consumer trust. The Commission concluded that "*The existing organic policy and legal framework does not provide the appropriate basis for the sustainable development of organic production in the EU*" (Advisory Group on Organic Farming of 24 April 2014). With this the Commission's impact assessment asserts a need for action on the basis of assumptions that are often not sufficiently proven. Clearly a more in-depth analysis of the sector would have been needed to lay the groundwork for such an ambitious project of presenting a proposal with the aim of a complete overhaul of the legislation capable of targeting the real problems facing the sector.

Furthermore the Commission's proposal is in contradiction with the external evaluation report carried out by the Thünen Institute subcontracted as a mandatory part of the impact assessment. In fact, the evaluation report comes up to different considerations:

- The "organic legislation **generally provides a good basis for a sustainable development** of organic production in the EU even if in some areas improvements are possible. More guidance for MS is needed to avoid lack of harmonisation in interpretation and implementation of requirements. Rules are generally adequate but impact needs to be increased. 20-year experience of the sector need to be considered since it can contribute to find a balance between principles and practice."
- "In many cases the **rules are adequate** but there is a **lack of a harmonised interpretation and enforcement** in Member States."

This indicates that - as also outlined by IFOAM EU - there is a real challenge to improve implementation and enforcement of the current legal framework in Europe rather than making radical changes that will have a negative impact on the development of organics, particularly in regions and countries with a less developed organic sector.

Instead a progressive step by step development of the organic legislative framework - based on the content of current EU organic Regulation (EC) No 834/2007 - would have been more appropriate.

2) An incomplete Impact Assessment

The proposed regulation is based on an incomplete impact assessment, which lacks essential data and includes problematic assumptions that lead to questionable conclusions and inadequate provisions. It also ignores the conclusions of the scientific evaluation of the sector - carried out on behalf of the Commission – as well as many of the recommendations offered by the sector throughout the course of the Commission's regulatory review and revision process.

• Incomplete quantitative data

The Commission has itself asserted the current limitations of their existing data on organic production - notably the economics of organic farms and operators, prices, the market size and trade flows. Instead the impacts mentioned in the report remain qualitative in nature. This is also reflected in statements that describe the likely effect of the Commission's preferred option, for example the impact assessment fails to quantify the extent to which countries would be affected and producers would have to leave the sector because they are either mixed conventional/organic holdings, or depend on exceptions or could not bear the higher production costs the stricter rules would require.

A complete overhaul of a running legal framework can only be justified with a full assessment based on comprehensive data on organic production.

• Too much focus on a flawed public consultation

The report seems to base the majority of its assumptions on the European Commission's public consultation carried out at the beginning of 2013 and seems not to give the same weight to other parts of the impact assessment, such as to the stakeholders' opinions or the Thünen external evaluation report published in January 2014.

The public consultation was based on a self-selected and unrepresentative sample so the results cannot reliably reflect consumer opinion, nevertheless, it has been taken as the justification for drafting the proposal for a new regulation. At the same time it seems that the opinion of organic producers and experts has not been given the same weight.

IFOAM EU always welcomes the willingness of EU Institutions to promote a transparent policy development process through public consultations. However, considering how the public consultation questionnaire was formulated, the IFOAM EU Group had called the Commission to use the results cautiously as:

- Some questions were too technical for EU citizens and other stakeholders - with limited technical knowledge and experience - to comprehend and answer in a meaningful way.
- Many questions were unlikely to elicit clear and informative responses from nontechnical stakeholders as to how their justified expectations of organic agriculture could be delivered.
- Some questions were framed by a selective use of partial information. These included issues where current technical and practical applications have - in some cases - yet to reach citizens and producer aspirations for organic systems. Such "loaded" questions may have encouraged ill-founded answers that lead to conclusions that could potentially harm the ongoing sustainable development of organic production which would have been at odds with the intentions of the respondent.

As a result the Commission's proposal risks creating an artificial conflict between producers and consumers by trying to make a regulation for organic production in an "ideal world", but not fit for purpose. Indeed in the impact assessment report the Commission admits itself that "*The risk of loss of consumer confidence is due to*

conflicts between consumer expectations and reality. However, consumer knowledge on quality schemes is usually low." (page 18).

The impact assessment report fails to recognise that the so called "consumers" have always been an inherent part of the movement and not simply passive customers of organic operators. In reality the foundations of organic farming are based on strong relationships between consumers/citizens and producers that continue to be developed.

- **Poor consideration and reporting of the different stakeholder input**

In the end stakeholders' opinions have only been partly considered. For a number of years IFOAM EU and other stakeholders have presented proposals on how to further develop the current framework and insert new elements into the regulation in order to be in line with consumer expectations. However, only few of these proposals have been taken on board.

For instance, stakeholders have several times underlined that the current problem is that the demand for organic products is growing faster than the supply of production. It will be a lost opportunity to deliver real smart, sustainable and inclusive growth, the goal of the [EU 2020 Strategy](#), if EU organic producers fail to benefit from this growth in demand. Although the proposal does identify the challenge, it does not provide any response to it. Instead, it places the burden of risk on farmers who may be forced-out of organic production because they are unable to comply with the new provisions. Thus, the proposal foresees radical changes instead of a feasible step-by-step development of organic provisions.

Besides feasible rules for conversion, tools and instruments are needed to encourage producers to convert to organic farming and to help them develop organic production techniques and supply chains using the CAP and Rural Development Programmes, as well as through increased research & innovation and enhanced promotion and information campaigns.

Unquestionably a clear and strict legal framework to avoid fraud and to ensure consumer confidence is needed. It should be done together with the organic stakeholders making full use of their expertise, as they are, historically, the first defenders of organic farming's credibility.

3) Unambitious European Organic Action Plan

IFOAM EU supports the continuous development of organic production based on its principles. However, the means needed to achieve this goal must still be defined. An ambitious new regulation also needs an ambitious European Organic Action Plan, financially as well as politically supported by European Commission, European Parliament and Member States. Although demand for organic products is steadily increasing in Europe, the number of farmers converting to organic is decreasing year-on-year. In some countries, we are facing a growing gap between demand for and production of organic foods. This is because organic farmers face extra costs and administrative burdens that often outstrip the added value they receive for their products.

Consequently, IFOAM EU welcomes the publication of a [new EU Organic Action Plan](#) in 2014, replacing the old action plan launched in 2004. Whereas the launch of a strong action plan has been a long standing demand of the organic movement, the proposed plan lacks clear commitments. While the analysis of the current developments and challenges in the organic sector is described well and presented concisely in the action plan, IFOAM EU regrets that the plan lacks ambition for concrete action. Where actions are proposed, clear objectives, timeframes to reach the goals and a dedicated budget for specific action in organic farming and research are missing. Moreover, the document does not indicate if the Commission foresees any evaluation of the proposed actions after a certain period of time.

IFOAM EU stresses that more than nice words are needed. It is now crucial that all EU institutions commit to an ambitious implementation of the Organic Action Plan. Real funding and support must be provided, for example through the EU Horizon 2020 research and innovation programme and the Common Agriculture Policy.

Otherwise European organic operators will be overwhelmed by far reaching new obligations and provisions of a new organic regulation without any means to be able to fulfil them, they risk losing their competitiveness.

IV) Analysis of Commission proposal

1) Innovative elements of the legislative proposal

While IFOAM EU is concerned about many aspects of the Commission legal proposal, we recognise that it also delivers some valuable and innovative elements, such as:

- **Environmental performance criteria for processors and traders**

In the proposal it is foreseen that **processors and traders** (excluding micro-enterprises) must put in place an environmental management system with a view of improving their performance. This proposal has been put forward by IFOAM EU on the basis of measuring environmental performance. At the same time, IFOAM EU want to avoid forcing operators into a rigid and bureaucratic management system.

One reason consumers buy organic is based on their concern for the sustainability of food and farming systems. In primary production (crops and livestock) the requirements specified in organic standards lead to practices that aim to improve the sustainability of agricultural practices, for example by forbidding the use of mineral nitrogen fertilizers and chemically synthesised pesticides.

At the processing and trading level, the organic regulation does not yet make any requirements for environmental performance. Therefore, a requirement for processors and traders (excluding micro-enterprises) to implement practices to measure and to improve their environmental performance is welcome, provided that these measures are simple and do not substantially add to the bureaucratic burden on operators. There is no need to install a certified environmental management system (such as European Eco-Management and Audit Scheme - EMAS). Instead, monitoring environmental performance should be implemented by different kinds of measurement systems adapted to the specific situation of the operations.

IFOAM EU recommendations: Requirements to oblige processors and traders to measure their environmental performance should be inserted with the following criteria:

- To define relevant parameters (appropriate for each operation);
- To establish a system that enables the operation to measure and evaluate the results of the selected parameters;
- To have appropriate documentation in place;
- To have a strategy that guarantees continuous improvement of the environmental performance of the operation.

To avoid unnecessary duplication of the control process, these criteria should be checked within the organic control procedure. Very small processors and retailers should be exempt.

This is a transparent solution compared to the possible extension of the eco-label scheme to the food and drink sector.

- **Insertion of group certification system in the EU**

The Commission has also included another IFOAM EU proposal: to allow the possibility to certify groups of operators with details to be described in non-legislative acts. Group certification is currently only allowed for small farmers in developing third countries. Therefore, to enable this in the EU is very welcome.

In the proposal, only farmers with less than 5 ha agriculture land would be allowed to be part of a group of operators. Nevertheless, the <5 ha limit is not a good criterion for operators to be able to participate in a group certification scheme, since, for example, farms with 5 ha of strawberries could not be considered small.

IFOAM EU recommendation: This innovative certification system should be set to include exclusively small farmers. Basic criteria should be set in the basic text and should be based not on the farm's area but on other appropriate criteria such as total turnover or labour use. Groups should be managed exclusively by farmers through an internal control system (ICS) and farmers should be geographically close.

- **Simplified structure**

The proposed legal structure is totally different from the current one. The current legal structure includes a system of three regulations: one basic regulation which sets the main and fundamental principles and requirements (EC No 834/2007) and two implementing Regulations (EC No 889/2008 and No 1235/2008) that set out the implementing rules and which have been subsequently amended several times. The Commission proposal instead foresees a single regulation, complemented with annexes detailing the production rules.

Although radical changes to the legal structure will cause growing uncertainty for operators and extra efforts to adapt and bear the risks of inconsistencies, an alignment to Lisbon Treaty is needed and certain aspects of the new structure simplify the reading of the regulation requirements. A clear improvement is to keep separate the requirements for different species of animals. However, other aspects are outlined as moves to simplify the legislations, but cannot be seen as an improvement and in some cases may cause more confusion - for example the merging of food and feed requirements.

IFOAM EU recommendations: It is fundamental that basic requirements are not subject to possible changes through non-legislative acts in the short term. All the requirements which are today in the basic Regulation (EC) No 834/2007 should remain fixed and only be amended with formal involvement of the European Parliament and the EU Council.

2) Areas of concern

Besides the innovative and valuable elements mentioned, the sector has many areas of concern to highlight.

These are based on the following:

- a) technical and conceptual shortcomings in scope and legal text;
- b) too many fundamental production requirements remain unclear with inappropriate delegated powers;
- c) inadequate improvement of the control system;
- d) an inconsistent import regime that does not ensure coherent import rules and risk shortages in the supply with organic produce from third countries;
- e) failure to address the diverse situation of the organic sector throughout Europe;
- f) unrealistic timeframe to meet far reaching production requirements;
- g) introducing a specific legal threshold that makes organic producers liable for pesticide contamination by conventional farmers;

a) Technical and conceptual shortcomings in scope and legal text

In the text there are a number of technical and conceptual shortcomings:

- The Commission's proposal changes the basis for the scope of products covered by the organic legislation by referring to Annex I of Treaty of functioning of the European Union and by adding an additional annex to cover products not covered by the treaty. This is unnecessary as the scope of the current regulation is more practical as it clearly identifies the four categories of products covered by the organic regulation: 1) live and unprocessed agricultural products; 2) processed agricultural products for use as food; 3) feed; 4) vegetative propagating material and seeds for cultivation.

A reference to the “Treaty” does not fulfil the intention of simplification of the legal basis for Organic and still leaves open questions to the user of the text. For the purpose of a harmonised implementation of a Regulation it is crucial that the scope is without doubt and easily understandable.

Furthermore, the new proposal doesn’t solve the lack of a clear distinction between primary agricultural products and processed products which is a shortcoming of the scope in current regulation.

It is also unclear if the possibility to establish national rules for out-of-scope animal species remains. In this case, it won't be possible to have for example organic certified deer or rabbits.

Pet food already falls within the scope of the regulation, but as there are no detailed rules, however, there are many different national and private standards in the EU enabling organic certification. Since pet food products are traded all over Europe, a single set of production rules at EU level is needed.

Furthermore the new proposed scope includes sea salt. This is despite Article 2(5) of the proposal outlining that *"only products which are closely linked to agricultural products shall be eligible for inclusion"*. Sea salt is neither linked to agriculture nor aquaculture and could represent a risky precedent of opening the door to other non-agriculture products without production rules being defined in the organic regulation. It is very difficult to imagine organic production rules for sea salt production. IFOAM EU proposes to leave the scope unchanged and to add an annex to the future regulation with all the necessary clarifications.

Cosmetics, textiles, organic farming inputs such as fertilisers and other non-food products are outside the remit of the regulation. Consequently, an important part of the organic market for non-food products is not subject to control regarding the use of the organic label. This is confusing for consumers and leads to unfair competition

- According to the proposal the new regulation will come into force in 2017. It must be ensured that when the new Regulation comes into force it does not conflict with the support period under new Rural Development Programmes (RDPs). The best approach would be to streamline such a Regulation with the new Rural Development Programmes. If this is not possible, guarantees must be clearly outlined in the Rural Development Programs that farmers who have entered in to organic farming support and other related organic-specific support schemes can remain within these schemes until the end of the period without risk of being put at any financial disadvantage.
- According to the proposal, in-conversion plant products cannot be certified. However at the same time, Article 3 (24) defines in-conversion feed and whilst rules under annex II refer to the use and limitations on the use of in-conversion feed. To define the extent of the use of “in-conversion feed” is superfluous in the context of the draft text as no documentary evidence can be shown and therefore it would not be placed on the market. The result would be that no in-conversion feed would be available to feed animals on organic farms. IFOAM EU therefore strongly argues for re-introducing the possibility to certify and label in-conversion plant products and permitting the feeding of such produce to animals kept on organic farms.
- Today an agricultural holding converting to organic can, from the first year, use its entire on-farm produced feed for its own animals. According to the new proposal, for in-conversion agricultural holdings, only 15% of the feed fed to their own livestock can originate from the same holding. It means that in the first year of conversion the farmer has to sell 85% of their own production and buy in 85% of organic feed. This contrasts with the principle of closed cycles as part of an organic farming system and disincentives the conversion of new farms to organic.
- In different parts of the text, the term "integrity" is used, but a definition of this term is not given, making the certification decisions impossible.

IFOAM EU recommendations:

- The four categories of products covered by the organic legislation and the possibility to establish national rules for out-of-scope animals should be reinserted. A clear definition of "processed products" is necessary.
- Some herbal teas and fruit juices are classified as "medicinal products" according to Council Directives 65/65/EEC and 92/73/EEC and are thus excluded from the scope of the organic regulation. These products - considered simple and traditional medicinal products - should be included in the scope of the regulation.
- Cosmetics, textile, organic farming inputs as fertilisers and other non-food products are outside the remit of DG AGRI (as per Article 39 of the Treaty of Rome). However, these products are increasingly

present in the market and of interest to consumers. Consequently, within the framework provided for organic under regulation (EC) No 834/2007, DG SANCO (cosmetics) and DG ENT (textiles, fertilisers) should introduce appropriate protection of the use of the 'organic' description. For example, cosmetics and textiles can currently be certified as organic against widely accepted international standards. These standards could either form the basis of the future legislation or they could be used as named approved standards for the purposes of organic production and labelling of cosmetics and textiles.

- In the event that the European Commission, Council and Parliament decide to continue in the direction of a completely new regulation - instead of steady continuation of improvement and implementation of the existing regulation - the date of coming into force of this complete new regulation should be streamlined with Rural Development programmes or transitional rules should be foreseen - either in the organic regulation or in the implementation of Rural Development programmes - for those farmers who are benefiting from support under measures included in the forthcoming CAP programming period in order to avoid any financial disadvantages. In parallel, issues that the sector has asked to be resolved within the current regulation over the past several years (such as protected cropping) must not be put on the shelf because a completely new Regulation is in discussion. An independent procedure has to be used for these cases.
- Certification of in-conversion plant products must remain
- The closed cycle concept should apply - as today - and holdings in the first year of conversion should be able to use feed produced on their own land as in the present regulation.
- The term "integrity" must be replaced or clearly defined.

b) Too many fundamental production requirements remain unclear with inappropriate delegated powers

To adapt the regulation, increased executive power has been granted to Commission including **31** possibilities to adopt delegated acts and **12** possibilities to adopt implementing acts. In fact, parts that were within Council regulation (EC) No 834/07 have been moved to annexes or have been postponed to be set out at a later date when the final regulation has come into force. This is even the case for new concepts that have been introduced into the Commission proposal. This includes for example a major part of production requirements for crops and livestock. It is crucial that basic requirements and the cornerstones of new concepts are defined now and within the basic text in order to be part of this legislative procedure. The number of delegated powers afforded to the Commission is not appropriate, as implementing or delegated acts should be limited to define non-essential and detailed rules within a clear framework. The proposal would significantly increase the power of the Commission to change essential parts of legislation by non-legislative acts.

Delegated acts should be used only for non-essential amendments where quicker decisions are necessary than the co-decision procedure allows, but only when the basic requirements are already properly defined.

Implementing acts should be used exclusively to adapt the regulation to more technical rules where specific national differences must be considered, where involvement of national experts is needed and for better implementation of rules in the Member States, such as adaptations of the existing restrictive lists for permitted inputs: i.e. fertilisers, plant protection products, feed and feed additives, cleaning and disinfection products.

Impact: The current proposal raises a number of concerns including: an unclear framework open to fundamental changes, not enough legal certainty, an increase of the Commission's power to change fundamental parts of the regulation without formal approval of EU Council and European Parliament.

IFOAM EU recommendations: As mentioned in the previous point, fundamental parts of the regulation, such as production requirements and the scope should be stable and not subject to changes through non-legislative acts. All delegated powers have to be revised systematically and be reduced to what is necessary. Furthermore, all delegated acts have to comply with the rules of the Lisbon Treaty and have to be defined precisely regarding, for example, the duration of delegation and only used for non-essential amendments where quicker decisions are necessary to adapt the regulation to scientific and technical innovations and developments. Implementing acts should be used exclusively for adaptations of more technical rules where specific national differences must be considered and where involvement of national experts is needed and for measures for better implementation of rules in the Member States. In articles where rules have been proven to be efficient and effective, delegated

powers should not be foreseen. Finally, not everything has to be regulated at EU level; implementation of a number of requirements can be left at national level.

c) Inadequate improvement of the control system

Making the control system more efficient was one of the main drivers to start the revision of the organic regulation in 2012. Surprisingly, the proposal doesn't sufficiently address this critical area, nor does it provide convincing solutions.

The Commission proposal foresees the following:

- moving all the control requirements under the horizontal legislation for official control on food and feed;
- introducing group certification system;
- extending the control activities on all the organic chain, including all retailers without exceptions;
- focusing on risk assessment by abandoning the annual inspection concept.

Moving the organic control system under the scope of legislation dealing mainly with food safety is not the best way to improve controls. Organic quality is essentially defined by a process-driven approach, which is a core value of organic production and part of its identity. Most of process criteria as they are established within organic regulations worldwide are guaranteed by checking the practical implementation in annual audits. Therefore, organic controls cannot be inspections to check the safety of the final products but are rather quality audits of the system as a whole. Moreover, organic products - like e.g. other food products - are subject to all other horizontal legislation. Annual visits from the control bodies and authorities should aim at checking the process and encouraging the organic producer to continuously improve his or her system.

Further, moving all organic control requirements out of the organic regulation cannot be considered a simplification. For organic producers and generally for all stakeholders it would be much better to have all the requirements related to organic production under a single regulation. This would also facilitate the negotiations for equivalency with Third Countries.

Extending the control activities to the entire product chain by obligatorily including the retailers of pre-packaged products would add bureaucratic burden to the system without providing an increase in consumer trust. In addition, shops with a small amount of organic produce, such as petrol stations and small shops would end up taking organic produce off the shelf to avoid the extra costs. Clearly, the consequent reduction of organic retail outlets contradicts with the objectives of the European Commission. Furthermore, the annual inspection is an essential element to maintain consumer trust in organic produce. Finally, it gives the operator the opportunity to get clarification on how to stay in line with the organic rules.

The Organic Regulation is the strictest standard for sustainable production. Organic farmers and producers are already much more controlled than their conventional counterparts by certification bodies and competent authorities. Potential risks for the consumers by non-compliances in organic products are in most cases misleading claims and normally not "risks" and/or "hazards" as defined in Regulation (EC) No 178/2002 that threaten the health of consumers. These food and feed security issues are topics for horizontal legislation. Nevertheless, amendments to increase the efficiency of controls, the transparency and the traceability of organic products should be done on the basis of the current regulation alongside horizontal legislation and accreditation norms. These amendments should be tackled primarily in the implementing rules. The main challenge still is efficient implementation.

Furthermore, the control concepts of auditing and certification must be clearly distinguished from the investigative control approach. All control concepts must consequently be based on the process oriented quality approach as set up in organic regulation (EC) No 834/2007.

Regulation (EC) No 834/2007 was established in a way that ensured that operators are responsible for their activities. Duplication of requirements should be avoided. It is recommended that points included in ISO 17065 should be stressed and reiterated to Control Bodies (CBs) by Competent Authorities and Accreditation Bodies where they are not being complied with, but they should not be duplicated in legislation.

The IFOAM EU Group is also of the opinion that there is a lack of clarity in the current regulations regarding

liability in the case of action on irregularities. There is also a lack of clarity over the extent to which products made with ingredients - subsequently found to be non-compliant - should be removed from sale as organic under restrictions of commensurability. This manifests itself sometimes with very different consequences in different Member States in case of decertification.

At the level of accreditation the current monopoly of accreditation in each Member State and the various levels of involvement of the national accreditation bodies in accreditation for operations outside the EU leads to variations in accreditation processes, and uncertainty for CBs and operators. There should be a strengthening of international accreditation outside the EU with a clear requirement that accreditation bodies operating outside the EU should have wide international experience dedicated to organic accreditation.

Control bodies have the obligation to operate risk based inspection systems. However, there are clear differences in the ways that this provision is implemented at the Member State level, meaning that the system is well adopted and working in some Member States, but in others the system is rudimentary and inconsistent.

Strengthening of risk based inspections and more harmonization of the risk based concept should be a cornerstone of the new regulation. The concept of risk based inspection is already in, but should be broadened, harmonised and really implemented. The main part of a risk based system is identifying low, middle and high risks.

More exchange of information at all levels of the organic sector are essential to improve public trust, ensure that operators have the confidence to develop markets and supply chains and enable certifiers and authorities to spot potential for fraud. In particular a clear and harmonised information system must be established between the involved Authorities to aid investigation and action in cases of suspected frauds.

A formalised cross check system at CB level is needed whereby CBs can cross check lots, volumes available, certificates, residue detections, financial documentation (e.g. Invoices etc) and traceability with each other. Standardised documentation would help this process. Responses from CBs - receiving requests for cross check information - must be mandatory and within defined timescales and should be monitored by accreditors or supervision authorities.

There are clear variations in the levels and requirements for training and qualification of CB staff, including inspectors, and of Competent Authority and Accreditation Body staff. A detailed analysis of training levels and requirements is needed to identify best practice and to disseminate it more widely in order to improve training and qualification where needed.

Impact:

- The move of control requirements to the horizontal food safety legislation risks changing the current process approach of organic controls towards an end-product control system.
- The obligatory certification of all retailers, selling organic food will reduce retail opportunities - threatening the livelihoods of producers that supply them.
- The control system in general will become more burdensome and efficiency and consumer confidence will not increase.

IFOAM EU recommendations:

- Improve the traceability of organic products and enhance cooperation and exchange of information between all the control bodies and between control bodies and operators.
- Encourage the training of control actors and operators and the use of advisory services.
- Clarify the liability of operators, control bodies and competent authorities.
- Strengthen and harmonize the risk based approach.
- Keep the organic control system requirements under the organic regulation
- Maintain the annual inspection but enhance risk based inspections, for example by not controlling whole farm/company each year.
- Keep the possibility to exempt retailers selling pre-packaged organic food.

d) Inconsistent import regime that does not ensure coherent import rules and risk shortages of the supply with organic produce from third countries

The current import regime would be changed into an import system with two alternatives:

- ✓ control bodies and authorities recognised for the purpose of compliance and
- ✓ countries recognised as equivalent under a trade agreement.

Recognition of control bodies for the purpose of equivalence and the countries recognised as equivalent will be phased out.

Historically, the EU has based imports of organic products on the concept of equivalence, which is consistent with both the underlying principles of the WTO Technical Barriers to Trade Agreement and Codex Guidelines (CAC/GL 34-1999) and the nature of organic agriculture, which is highly site specific and in different stages of development worldwide. The current regulation provides the means for recognising equivalent organic guarantee systems of both third countries and control bodies.

Equivalence has allowed third country producers to meet organic standards appropriate for the conditions of the region whilst still meeting the objectives of the EU organic regulation. This approach has enabled European manufacturers, retailers and consumers to source a variety of affordable and trustworthy organic products, particularly tropical products. It has also stimulated organic market development in EU countries and provided opportunities for small producers in developing countries to participate in organic value chains and thus improve their livelihoods.

It is accepted that the equivalence approach has not been without its problems but that largely stems from the lack of a harmonised and transparent approach by the assessment bodies which has been confounded by the current regulation not recognising the role of the assessment bodies.

Weakening the equivalency concept could radically alter the variety and affordability of organic products in the EU. There are lessons for domestic organic market development from imposition of strict import regimes. New import requirements in Japan in 2001 resulted in an import reduction approaching 50% and a corresponding severe decline in the domestic organic market. A tightening of production, certification and import requirements by China in 2011 negatively impacted its emerging domestic market, although the effect has not yet been quantified.

In the past, the Commission has reasoned that compliance is virtually impossible for most products originating outside the EU, as the reason why a compliance track in the regulation was not implemented. It is difficult to understand why now the shift to compliance is proposed without addressing reasons why it will work, especially in the context of other new requirements in the proposed regulation.

As for the second option given in the proposal, it is crucial to have clear rules of procedure for negotiations on reciprocal trade agreements in place. This is the only way to guarantee transparency and sufficient involvement of the Member States.

The mandate given by the EU Council and the full transparency would together represent important innovations in current trade agreement negotiations. These rules should apply to all reciprocal trade agreements concerning organic production and be defined in the organic regulation.

Impact: This revised approach will create a two-tiered system, which provides trade advantages based on equivalence deals between developed country markets, and constrains other imports by requiring strict compliance. It will be difficult and costly, if not impossible, for many developing country producers to meet all the detailed requirements of the EU regulation. Furthermore, it might lead to import shortages for certain products on the EU market.

IFOAM EU recommendations:

- Maintain an import system based mainly on the equivalency concept but simplifying and making it more transparent by:

- Unlinking the recognition of control bodies from the recognition of standards including the preference for the use of regional standards directly approved by the Commission. A more regional approach would increase uniformity and greatly reduce the workload but should be introduced with a transition period to allow CBs to adapt;
 - The Commission developing and publishing a methodology and criteria for the acceptance of equivalent standards. In doing so, the Commission should make use of existing international tools and experiences. On the level of standards, it should be noted that internationally-recognized methodologies and criteria for assessing equivalence of organic standards already exist: e.g. the Equitool (and its annex the COROS - Common Objectives and Requirements of Organic Standards) which has been developed through an international process in which the Commission was involved (the International Task Force on Harmonization and Equivalence in Organic Agriculture) and supported by 2 UN organizations (FAO and UNCTAD). The COROS is already being used successfully by IFOAM since 2010 in assessing equivalence of organic standards. The Commission should develop a methodology inspired by those tools and experience.
 - Publishing a list of approved equivalent standards and the geographic and product scope of their approval and require that equivalent control bodies use only standards approved in this list;
- Improve the supervision:
 - The Commission clarifying the methodology and criteria to assess control bodies and particularly the role of the International Requirements for Organic Certification Bodies¹, which is already cited as a best practice reference in the current EU import guidelines.
 - Encouraging the development of harmonized international requirements for accreditation bodies conducting organic accreditation, in the framework of the IAF, particularly with a view to ensuring that IAF members conducting organic accreditation are required to employ assessors with the necessary sector expertise.
 - Ensuring regulatory provision for allowing direct communication between the Commission and the accreditation bodies including provision for their surveillance by Food and Veterinary Office and allowing accreditation bodies' access to the Organic Farming Information System.
 - Ensuring the COM capacities to develop and maintain the supervision of the organic Import System in EU
 - Include clear rules and procedures for negotiation of reciprocal trade agreements. The rules should set out the mandate of the Commission with full transparency in reporting to EU Council as well as a EU Council veto right. The essential conditions to these trade agreements are:
 - The mandate of the European Commission - given by the EU Council - to negotiate should be clearly defined and fully transparent before the start of negotiations. The mandate should be valid only for negotiations about one specific agreement with one specific country.
 - The European Commission should be obligated to report to the EU Council about the current negotiations.
 - The final results of the negotiations should be fully presented to the EU Council. It is crucial that the "list of substantial differences" - meaning the list of differences in organic standards between the EU and the third country as well as proposals for solutions must be fully presented to the EU Council. The full transparency is an essential improvement. The veto right of the EU Council should remain.
 - For the compliance option, develop and publish a list of exceptions of both production rules and control measures where full compliance with the EU regulation is not required outside of the EU. This list should be developed in consultation with the organic stakeholders, and particularly the organic control bodies active outside of the EU, as well as representatives from the non-EU organic operators.

¹ http://r0.unctad.org/trade_env/itf-organic/meetings/itf8/IROCB_0809%20.pdf

e) Failure to address the diverse situation of the organic sector throughout Europe

The Commission removed Recital (21) of Regulation (EC) No 834/2007 on flexibility, which says:

"It is appropriate to provide for flexibility as regards the application of production rules, so as to make it possible to adapt organic standards and requirements to local climatic or geographic conditions, specific husbandry practices and stages of development. This should allow for the application of exceptional rules, but only within the limits of specific conditions laid down in Community legislation."

The organic system should be in continuous development to bring practices closer to the principles, aims and objectives. In that light the aim is clearly to move away from and even eliminate exceptions.

However a number of circumstances have significant impact on the ability of regions or specific organic sectors to operate without exceptions:

- The varied state of development of the organic sector in different regions and/or Member States. In particular new Member States lacking a comprehensive organic production and supply infrastructure. For example, a new Member State may be just starting to develop organic food and farming in their country with only a few poultry farms and even fewer processors and therefore it simply would not have the same availability of organic pullets, raw materials, seed and feed.
- Geographical and climatic conditions. For example, mountain and island farmers isolated from the wider farming community for manure exchange and organic animals.
- The existence of crops that are currently not propagated in an organic way at all. Prohibiting the use of non-chemically treated conventional seed for these varieties would make growing them to organic quality literally impossible leading to a potential negative impact on crop diversity. Crops such as vegetables, herbs, forage crops, trees are particularly affected.
- The availability of ingredients can vary depending on the region. Furthermore food production differs across regions because of different production practices throughout Europe.

Impact: The deletion of many exceptional rules risks excluding producers from the organic sector - in particular small farmers and farmers operating in countries where the organic production is still in its infancy. Furthermore, farmers and producers operating in difficult conditions and areas such as islands or mountainous regions will be likely to be forced to quit organic production.

IFOAM EU recommendations: Recital (21) and Article 22 of Regulation (EC) No 834/2007 on flexibility should be re-inserted. After a careful evaluation of each exceptional rule in each Member State, they should be either deleted or converted to transitional rules or transparently converted to permanent rules.

- Current exceptions to be deleted or converted to transitional rules in future Organic Regulation include:

- Use of non-organic animals: The origin of animals is a crucial point and IFOAM EU considers it important to make progress in this area by making the current permanent exemption temporary according to Article 42(a) of Regulation (EC) No 889/2008. In a future organic regulation this rule should become a transitional rule.
- Use of non-organic protein feed of plant and animal origin for livestock: The progressive reduction in allowed percentages of non-organic feed is a successful example of how exceptional rules can be accompanied by further progress by the sector. In the last ten years these rules were lowered from 10% to 0% for herbivores and from 20% to 5% of exclusively protein feed for other species. IFOAM EU proposes an approach which goes further by restricting the 5% allowed percentage of non-organic protein feed only for specific stages of life and specific protein compounds. The exceptional rule laid down in article 43 of Regulation (EC) No 889/2008 concerns porcine and poultry species. IFOAM EU proposal is to limit it exclusively to piglets up to 35kg, young pullets and chicks. The final aim is to reach 100% organic feed also for omnivores. However, today there is not yet a sufficient quantity of the right quality of protein compounds and this could lead young animals to suffer serious deficiencies in essential amino acids. It must be considered that the different strategies for developing supplies of organic protein crops are just starting in many Member States.

- Addition of non-organic yeast extract: This exceptional rule is not necessary anymore since today the market is able to provide the specific substances in organic quality. This is another example of how the sector successfully developed such that this exception is no longer required.

- Current exceptions to be converted to permanent rules in the future Organic Regulation:

- Temporary tethering of animals on small farms: The sector fully welcomes that the largest part of tethering systems disappeared on organic farming due to the end of the transitional rules referred to in Art. 95(1) of Regulation (EC) No 889/2008 but recommends to keep and convert into a permanent rule the exemption laid down in Article 39 Regulation (EC) No 889/2008 for small operations. What is possible for the most organic producers – is not possible for some small traditional structures that are unable to move towards a new system since for example the stables are in mountainous locations where structural modifications are not possible. Consumers understand and accept that a very small number of traditional and small producers are not able to change and that this is a fair trade-off for the survival of traditional meat and cheese production under organic production.
- Parallel Production: The exceptional rule allowing for the parallel production of perennial crops for a 5-year period, for research and educational aims, the production of seeds, propagating material and transplants and grazing grassland (Article 40 of Regulation (EC) No 889/2008) is still meaningful and concerns only specific production areas.
- Management of beekeeping units for the purpose of pollination and use of non-organic beeswax: These two exceptions are still critical for the honey production sector. Pollination is in fact a specific and essential practice of bee-keeping and the exception is still needed. The use of non-organic beeswax exclusively for the conversion period should stay, provided that the possibility to use non-organic beeswax is linked to very restrictive conditions.
- Specific management problems in organic livestock: the exception regarding the final fattening period exclusively for bovines (Article 46 of Regulation (EC) No 889/2008) should be kept as a permanent rule, since it is connected to animal welfare principles according to Article 14(1)(b)(3) of Regulation (EC) No 834/2007 and Article 14(2) and (3) of Regulation (EC) No 889/2008.

The exceptional rule on the use of non-organic seed and propagating material is described below in point (g).

f) Introducing a specific legal threshold that makes organic producers liable for pesticide contamination by conventional farmers

In the proposal, the establishment of a decertification threshold for non-permitted substances is proposed. Reference is made to the baby food Directive which sets a 0.01 ppm as the threshold. This means, farmers would be held accountable for not only their own conduct, but also for contamination caused by their neighbours and general environmental contamination.

This proposed requirement would be disproportionate, in terms of the burden on the sector, compared to the reality and the size of the issue. In fact, it is demonstrated by several monitoring activities that the presence of contaminants in organic products can be **500 times lower** than in conventional products².

It is clear that pesticide residues are not a major problem in organic products, even if European organic farmers work in a context in which 95% of the arable land is treated with a huge amount of pesticide. This is thanks to the serious work of organic stakeholders to avoid contamination or residues. However, introducing such a threshold would significantly increase the costs of organic produce without providing real improvement.

A major concern is that the only food supply chain in the EU that prohibits the use of pesticides would be made to pay for harm done by the majority of farmers in the EU who are using pesticides. While the EU allows the majority of farmers to use large amounts of pesticides, organic producers should not be made liable for the presence of residues. This would turn the polluter pays principle upside down - when a neighbouring farmer uses pesticides, the organic farmer would have to pay! Organic production is a complete system of farming practices

² "Organic thresholds for GMO and pesticides?"; Bundesverband Naturkost Naturwaren (BNN)

and much more than just a product without pesticides. Organic farming delivers its promise to be an agriculture system which doesn't use synthetic pesticides and fertilisers.

Costs for the additional laboratory testing and the risk of being contaminated by conventional neighbours hurt small farmers in particular.

Furthermore, the results produced by analyses are strongly influenced by the way the sample is taken, the type of product, the different types of contaminants, the testing systems chosen and the laboratory carrying out the analyses. If the level of residue is the decisive factor in whether a product can be labelled as organic or not, the security and reproducibility of analyses have to be raised to 100%. This is currently far from being the case.

A study of Lach & Bruns in 2013 - on behalf of the Dutch control body Skal and the sector umbrella organisation Bionext - showed that only 2 out of 15 laboratories were able to give accreditation-proof information about their analysis results. It also showed that there are great differences between laboratories' results for individual substances like glyphosate.

Furthermore 70% of all accredited EU laboratories are unable to achieve a good result in their annual ringtest, which means they are not able to detect the right substances.

These problems of analytical uncertainties are widely experienced in the food market with the existing "normal" MRL for pesticides. Operating on much lower thresholds will greatly increase the problems with uncertainty of analytical results and cause legal problems and conflicts between operators and Control Bodies.

It is essential to keep in mind that organic legislation is structured as legislation for a process-based agriculture and processing quality system along the whole chain. In the discussion about the need for harmonisation on this issue, it would be a grave mistake to transform a more or less privately developed action level into a strict decertification level, which is today in practice in very few Member States. Furthermore we want to stress that e.g. animal welfare or proper crop rotations cannot be checked through a lab analysis.

While the compensation measures proposed are welcome it seems unrealistic under the existing budget situations in almost all the Member States. Implementing an instrument to clarify responsibilities and sources of contamination would be hugely bureaucratic and time consuming. It would also lead to unfair competition- for example if compensation is granted in one Member State, but not to another. Not only do compensatory measures under the regulation (EU) No 1305/2013 fail to cover all the production chain, but resources under Rural Development Programmes are meant to be a tool for development and should not be used as an excuse to ignore the problem of contamination by industrial farming.

Impact: A shift towards an end-product approach with farmer more focused on obtaining "clean" final products instead of undertaking a system approach to organic farming production.

The implementation of this proposal would raise organic production costs significantly. As a consequence the competitiveness of organic farming as sustainable voluntary programme could decrease which would lead to less sustainable production all over the EU. This is not in line with outlined political aims of the Commission's proposal.

IFOAM EU emphasises that a large majority of consumers in the EU want healthy food without residues of pesticides. It is evident that only the users of pesticides should take the responsibility for any contamination on their own fields and products as well as the fields and products in their neighbourhood.

IFOAM EU recommendations: No separate de-certification thresholds for non-permitted substances should be set. The Commission should consider clear rules for a coexistence regime on pesticide contamination to ensure that organic farmers are protected. Instead of introducing a threshold there is a clear need to clarify the interaction and harmonisation of implementation of Art. 30 of Regulation (EC) No 834/2007 and Art. 91 of Regulation (EC) No 889/2008.

g) Unrealistic time frame to meet far reaching production requirements

In the proposal a deletion or a short-term phasing out of most of the exceptional rules is proposed. All the exceptions coming from Article 22 of Regulation (EC) No 834/2007 - excluding the ones related to catastrophic circumstances - will be deleted and some may be prolonged until 2021. Moreover, the obligation to run the

entire farm as organic has been introduced, percentages of feed coming from the same farm or region have been significantly increased (from 20% to 60% for omnivores and from 60% to 90% for herbivores) and the introduction of non-organic animals for breeding purposes has been forbidden. Finally all the mutilations for animals, including dehorning will immediately be forbidden.

IFOAM EU generally supports the direction to continuously improve the system in line with the organic principles. However, an assessment of the feasibility of the new measures has to be done. Instead of a radical cut, IFOAM EU is committed to a step-by-step process, as already achieved over recent decades.

- **Seeds and vegetative propagating material** - The most difficult issues in the proposal is the phasing out in 2021 of the exceptional rules allowing the use of non-organic untreated seed and propagating materials in cases where organic material is not available.

The principle aim must remain that organic products originate from organic seed or vegetative propagating material with particular regard to varieties that are bred according to organic principles and for use under organic conditions. As the availability of sufficient amounts of seed and vegetative propagating material multiplied under organic conditions cannot be ensured for all the necessary species and varieties in the near future, the deletion in the short-term of this exception would have a disastrous impact on the sector. It has also to be acknowledged that availability of seeds and propagation material is a market issue. In peripheral areas of Europe as well as in regions with short growing seasons it is often very difficult for farmers - both organic and conventional - to find appropriate seed. This makes it almost impossible - in particular for organic farmers - to find suitable varieties as the market is simply too small.

If seed companies are forbidden to produce the same variety of seed in both non-organic and organic quality - as currently the Commission proposal suggests - the availability of organic seed will further diminish. The market for conventional seed is much bigger and if seed companies are forced to quit the production of either one of them, they will choose to quit organic seed production.

To reduce the number of authorisations granted by Member States and to finally incentivise the production of organic seeds and vegetative propagating material, particularly from varieties that are bred according to organic principles and for use under organic conditions, several measures are necessary. The collection and analysis of data through reports from Member States, the creation of National lists containing varieties and species for which exceptions are not possible and solutions to link the tools at national level at EU level are among the measures that should be explored.

IFOAM EU also agrees that the implementation of the current rules must be improved. In parallel to increasing the availability of species, varieties and plant reproduction material suited for organic farming, non-regulatory measures should encourage organic breeding and multiplication activities as well as research for this purpose, with special regard to participatory breeding.

For example, a 10 years of European and national funds is needed to invest in plant variety breeding programmes adapted to organic growing conditions and local circumstances. These are necessary to enhance agro-biodiversity and strengthen the capacities of the food and feed sector to adapt to climate change. Support for optimising the yield potential of organic farming - combined with multiplication programmes for these new varieties - are also necessary as well as similar projects for animal breeds, in particular for poultry and pigs.

Finally, in the framework of the CAP, to be in line with European Union commitments on biodiversity and genetic resources, agro-biodiversity must be encouraged. Therefore, cross compliance provisions of the CAP must not hinder organic farmers to use and exchange their own propagating materials. Organic farms using niche material and propagating materials obtained from other farmers should be able to benefit from all relevant support under the CAP.

- **Mixed farms** - As for mixed farms, to date, there is not enough data on how many farms would be affected by the proposed ban. For example in France 25% of all organic certified operations are involved

in a mixed production (i.e. organic and conventional)³, and similar percentages can be observed in other Member States.

Even if IFOAM EU supports the ideal of conversion of the whole farm, this is not always possible. Mixed production is often a forced option. For example if producers are willing to sell organic vegetables and own fruit orchards including varieties which are not adapted to organic production, they cannot be obliged to replace the fruit orchard with organically adapted varieties. There may also be market reasons for not choosing total conversion. It should be further considered that the possibility to convert part of the farm is a first step, and the conversion of the remainder in a second phase, after a certain transition period, could encourage more farmers to make the move to convert the entire farm to organic production. To prohibit mixed farming - as foreseen in the Commission proposal - would have a disastrous effect on some regions, and is therefore not an option.

- **Origin and Quality of Feed:** IFOAM EU supports the aim to increase the percentage of feed coming from the same farm or region, but it is necessary to consider regions in countries where the organic sector is in its infancy as well as in isolated areas such as islands and mountains. A step-by-step process is needed and an evaluation about what levels are feasible must be carried out. Besides the origin, also the quality of feed is important. Today there is a lack of the right kind of proteins in the EU and medium- and long-term non-regulatory measures must be considered, for example under CAP.
- **Introduction of non-organic animals for breeding purposes:** Animal populations may be much too small to have different genetic base for organic and conventional production. There is a need for the exchange of animals in order to maintain genetic variation in the population.
- **Animal welfare** – Organic farming already delivers a significantly higher standard for animal welfare. IFOAM EU supports further development in this area. In this context the ban on all mutilations is an interesting proposal. However certain measures like dehorning and tail cutting in sheep need further evaluation and long-term transitional measures.

Impact: With the deletion of all the exceptional rules, the ban on mixed farms, the restriction on use of feed and the immediate ban of all mutilations, many farmers all over Europe will be excluded from the organic sector and only the largest may survive. This is the contrary to what the proposal seeks to achieve.

As for seed, vegetative propagating material and young animals, biodiversity will diminish, many traditional varieties and breeds will not be used anymore in organic farming because of the shortage of organic material.

The ban on the exceptional rule to use a very small percentage of non-organic protein as feed for pig and poultry will affect the health of young animals. Today the availability of the right kind of proteins for feed is not assured in many Member States.

IFOAM EU recommendations:

- An analysis and detailed impact assessment of every single exceptional rule is needed. See recommendations in point (e) of this chapter.
- Fulfilling existing rules and setting up national seed databases according to the current regulation in each Member State must be implemented. Setting national databases with establishment of National annexes listing species/subspecies for which derogation is not possible. The establishment of an EU database for information purpose managed by stakeholders is clearly needed. Member states should regularly report to the Commission on the progress made at National level.
- The possibility to run mixed production farms under clear and strict conditions - as it is today - should remain.
- Organic feed protein availability can be increased by non-regulatory measures, for example by supporting research on use of worm and insect proteins.
- The possibility of introducing non-organic animals for breeding purposes should stay.
- In the short-term dehorning and tail cutting for sheep should be maintained. Investigation about housing conditions for horned animals and for health of sheep and goats on pasture should be supported.

³ AgenceBio 2013 - http://www.agencebio.org/sites/default/files/upload/documents/4_Chiffres/BrochureCC/CC2013_chap4_France.pdf

V) IFOAM EU recommendation for a progressive organic development

IFOAM EU stands for a sustainable growth of organic food and farming throughout Europe and a further development of organic production based on organic principles. Organic is a comprehensive approach to sustainable food, farming and food processing that meets EU citizens' demands for high quality products whilst protecting and enhancing the environment.

IFOAM EU continues to develop constructive and detailed proposals for the necessary changes to the proposed organic regulation with three aims:

- Removing obstacles for a sustainable growth
- Ensuring fair competition for farmers and all operators in the organic value chain
- Maintaining consumer confidence by guaranteeing organic quality

This position paper provides a detailed analysis of the proposals, their impact and the areas where changes are needed. Our specific recommendations, detailed in Chapter IV above (*Analysis of Commission Proposal*) should be taken within the context of continued progressive development based on short- and medium-term actions for a **better, harmonised implementation** of the EU legal framework for organic food and farming. It is essential to **focus on those issues where more fundamental changes to the proposed regulation are needed**; for example, import and control requirements. It is also necessary to take account of the **different technical, cultural and climatic conditions in Member States** that influence the stage of development of the organic sector and the scope to exploit organic opportunities that in turn depend on well-resourced and effective research and innovation.

IFOAM EU supports further development of the organic regulation, however, the Commission proposal fails to deliver a viable and coherent approach. We want to outline, in this chapter, our vision for a progressive development of the organic sector. This is the outcome of our analysis and an extensive consultation with our members representing organic sector stakeholders throughout Europe.

We need a new proposal for a regulation, one that draws on the strengths of the current regulation (EC) no 834/2007, whilst including innovative elements and meeting the requirements of the streamlined structure of the Commission proposal in line with the Lisbon Treaty. Critically, this proposal must include the many specific and detailed recommendations developed by IFOAM EU. How this is technically achieved, whether through significant amendments or by tabling a new proposal, is of secondary importance.

The recommendations presented in Chapter IV are top priority. They are based on our understanding of the priorities for sustainable and progressive development of the organic sector. We have also developed many further detailed recommendations in three strategic areas that together would enable progressive development to reach our shared goal for sustainable growth of organic food and farming throughout Europe:

- 1) overcome the shortcomings of the existing organic regulation by enforcement of current standards
- 2) include new provisions to develop and strengthen the regulation for future needs
- 3) identify where policy measures outside the organic regulation are important to enable organic sector development, including ambitious implementation of the European Organic Action Plan.

1) Overcome the shortcomings of the existing organic regulation by enforcement of current standards

The current organic regulation provides a good basis for the development of the organic farming. The evaluation study carried out by the Thünen Institute on behalf of the European Commission confirms that in many areas of the regulation an improved implementation of the existing provisions is sufficient for the further development of the organic sector:

- a) Improvement of controls by harmonising the risk-based approach, assuring the traceability and guaranteeing a more efficient cooperation and exchange of information between Commission, Member States, control authorities and operators. Some clarifications of the current requirements are also needed.
- b) Improvement of the import system, today there are too many burdens in particular for the Commission services. The current three-tier system should be reviewed by unlinking the approval of equivalent standards for a particular region from the approval of CBs using that standard. It is essential that European importers focus on developing long-term and fair trading relationships, which, together with improved import regulations and controls, can ensure that imported organic products fulfil the principles and objectives of organic agriculture and meet consumer expectations
- c) A certain flexibility of the rules due to the need of addressing the huge range of environment, culture and structural conditions present among the Member States has to be maintained. Therefore the current rules should stay and should even be further elaborated by a flexibility system that allows Members States to adjust to new provisions by applying a transition period. Any transition period must be justified according to clear criteria introduced in the regulation and requirement of transparency and should only be possible to apply within a limited time frame as the aim is harmonization.
- d) A deep analysis and impact assessment of every single exceptional rule followed by a step-by-step reduction of them in the long term. Some exceptional rules can be deleted immediately, some in the medium term and some should be better implemented and permanently kept. To support a better and more efficient implementation of some exceptional rules such as those related to the use of untreated non-organic seed and of young animals systems need to be put in place, for example by establishing an EU seed database for information purpose managed by the stakeholders.
- e) Introduction of detailed implementing rules for organic greenhouse production and poultry production, in particular by adding rules for rearing of pullets and parental production. This could support the harmonisation all over Europe.
- f) To reduce and limit the practice of mutilations in organic animal production
- g) Harmonisation of organic and horizontal legislation such as on labelling. In this area, currently there could be cases of inconsistency which need to be sorted out. Examples are the application of organic labelling requirements together with other EU quality schemes (e.g. PDO, PGI) on the same product or the contradictory labelling of origin requirements under different EU legislation. The same harmonisation is needed with horizontal farming legislation on inputs such as plant protection products and fertilisers.

2) Include new provisions to develop and strengthen the regulation to future needs

Besides the improvement of the implementation of the current rules, IFOAM EU recommends the addition of new elements to be introduced into the organic regulation that bring organics closer to its principles. Examples are:

- a) While aligning to the Lisbon Treaty, the structure of the regulations could be changed in a way that makes it simple for everyone - producers, control actors and competent authorities - to clearly understand all the provisions. Fundamental production requirements should be in the basic act of the regulation.
- b) Extension of the protection of the term "organic" for relevant products other than food and feed such as textiles, cosmetics and farming inputs.
- c) Setting up a system in which organic stakeholders are formally involved in the process of adopting delegated and implementing acts.
- d) Establish the horizontal legal basis for the use of microalgae, microorganisms and invertebrates in agriculture as a precondition for the use in organic farming for example as part of the solution for the protein shortage in feed.
- e) To include the possibility for European small farmers to be certified as a group of operators
- f) Insertion of requirements for processors and traders to measure the environmental performance of their operations without increasing the bureaucratic burden.
- g) To move through a step-by-step process towards a 100% organic ingredients concept in organic processing.

- h) To establish a more dynamic governance for the authorisation of substances in order to support innovation in organic farming.

3) Identify where policy measures outside the organic regulation are important to enable organic sector development, including ambitious implementation of the European Organic Action Plan

In order to further increase organic production and market it is necessary to overcome several underlying barriers. We therefore welcome the new Organic Action Plan proposed by the Commission and encourage the Commission, European Parliament and Member States to put greater priority on organic food and farming. IFOAM EU recommends the following measures:

- a) Support for organic farming and food production in the CAP implementation, not only through Art. 29 of Regulation (EU) no 1305/2013, but also through combinable measures based on Art. 28 and the deployment of project based measures such as education, advisory services, investments, research and innovation.
- b) Earmark sufficient funding for research & innovation for organic food and farming, in particular under the EU framework Horizon 2020, but also within the frame of the European Innovation Partnerships and transnational and national research programs. In order to enable organic production to develop even closer to its principles, an organic development and innovation programme should be prioritised, covering issues such as⁴:
- Establishment of programmes for organic plant breeding and multiplication and for animal breeds and strains suitable for organic farming including grandparent and dual-purpose breeds in poultry.
 - Research on new types of protein feed from non-vertebrates (worms and insects) that contain large amounts of the right types of protein for organic livestock production.
- c) Enhance green public procurement (GPP) by increasing the use of organic ingredients and organic meals in the canteens of public institutions in the EU and Member States.
- d) Develop the link between CAP implementation and the need for an EU protein strategy with the Organic Action Plan in order to facilitate achievement of the goal of 100% organic feed for livestock.
- e) Stronger consideration of organic needs in horizontal legislation, such as:
- Simplification of the approval of low-risk substances for plant protection products and support for registration of traditional plant protection substances.
 - Taking the specificity of animal manure and farm compost into account in the revision of the fertiliser Regulation (EC) 2003/2003.
 - Facilitating market access for open pollinating, local and conservation varieties in new seed and propagation material legislation.
 - Establishing more effective protection and liability measures at the EU level, protecting operators serving a non-GMO market. Non-GMO food production must continue to be possible in all Member States and regions. Protecting organic farmers' and processors' legal rights not to be subject to any contamination, and ensuring there is liability for compensation where contamination is found remains critical.

⁴ Not exhaustive list