

ANALYSIS OF COMMISSION PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON ORGANIC PRODUCTION AND LABELLING OF ORGANIC PRODUCTS

Attention: this document does not express an AREPO political position. It simply is a first technical analysis by AREPO services.

ANALYSIS OF COMMISSION PROPOSAL

The **review of the Regulation 834/2007** on organic farming is currently underway and the European Commission has published a new proposal for a new organic Regulation. During the consultation process the Commission presented three options:

- 1) the **improved status quo**, based on improvements and better enforcement of the current legislation;
- 2) the **market-driven option**, which aims at providing the conditions to respond dynamically to further market developments with more flexible rules. Long lasting exceptional rules would be integrated in the production rules.
- 3) The **principle-driven option** which aims at re-focussing organic production on its principles, which would be better reflected in the production rules. Exceptional rules would be ended.

The impact assessment concluded that the preferred option for the future EU organic policy framework was the so-called principle-driven option. This option aims at re-focussing organic production on its basic principles and objectives of contributing to the integration of environmental protection requirements into the CAP, and promoting sustainable agricultural production. In addition, particular attention has been paid to simplification during the whole process. The Commission proposes in particular:

- to **strengthen and harmonize rules**, both in the European Union and for imported products, by **removing many of the current exceptions** in terms of production and controls;
- to reinforce **controls** by making them risk-based;
- to make it easier for **small farmers** to join organic farming by introducing the possibility for them to sign up to a **group certification** system;
- to better address the international dimension of **trade in organic products** with the addition of new provisions on exports; and finally
- to **simplify the legislation** to reduce administrative costs for farmers and improve transparency.

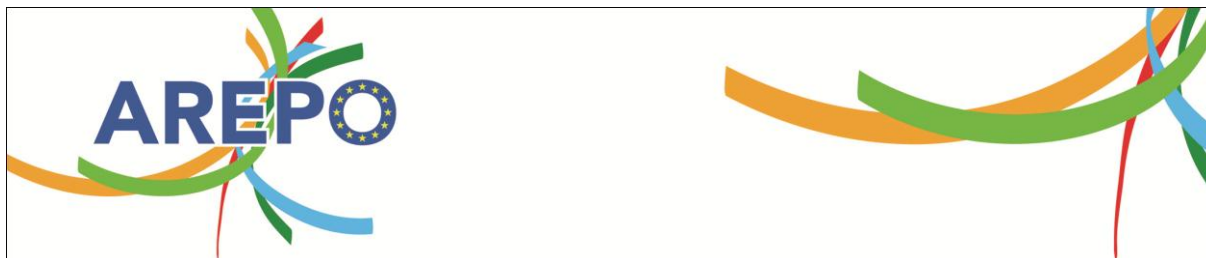
The European Council and European Parliament will now discuss and adapt the legal proposal, with the final legislation **expected to enter into force in 2017.**

SUMMARY OF THE PROPOSED ACTION

I. STRUCTURE

The current proposal reintroduces the structure of the first organic regulation (2092/91) with a single regulation plus annexes that contain specific production rules (current structure: one basic regulation and 2 implementing regulations).

It could be excessive to change again the structure after only 5 years. Moreover, the proposed structure decreases the stability of the sector as many key parts are in the annexes, which can be modified by delegated



acts. Effectively, all **the following articles** include the **possibilities for the Commission to adopt delegated acts**: Article 2 (scope – possibility to amend list of products in Annex I); Article 7 (definition of criteria for the environmental management system); Article 8 on conversion; Articles 10 to 29; Articles 32 to 33 (in Chapter III on Production rules; Chapter IV on Labelling; Chapter V on Organic Certification; Chapter VI on Trade with third countries; Chapter VII on General provisions); Article 39-41 on transitional measure.

II. SCOPE OF THE LEGISLATION

CHAPTER I

1. agricultural and aquaculture products listed in Annex I to the Treaty;
2. processed agricultural products for use as food or feed;
3. other products linked to agricultural products in a similarly close way as processed agricultural products - listed in the Annex I (EC **delegated act** to amend the list of products set out in Annex I).

Excluded:

Article 2

- mass-catering: measures taken by Member States and private schemes in this area are considered adequate to ensure the functioning of the single market;
- products of hunting and fishing of wild animals should not be covered by this Regulation since the production process cannot be fully controlled.

Scope not clear, it is difficult to define which products are included.

III. GENERAL PRODUCTION RULES

CHAPTER II

1. **Production rules will be strengthened and harmonised by removing various derogations and exceptions** (except temporary in the case of **catastrophic circumstances**, see Article 17).

Transitional arrangements will be provided so that farmers can adapt to the new rules (ex. genetic input transitional measures relating to seeds, livestock and fish juveniles, Article 40).

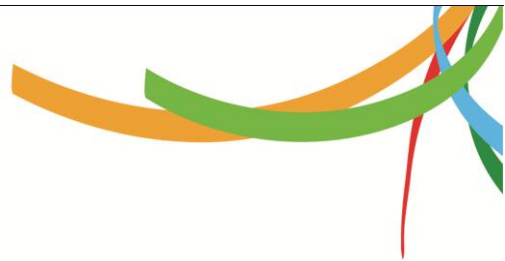
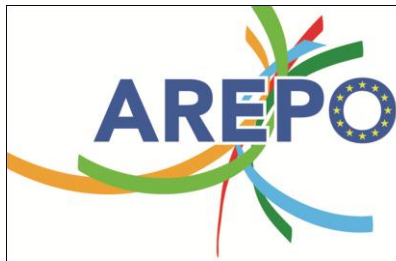
Exceptions are important for small producers, for the new MS and for the countries where organic production is not developed, because they permit a gradual conversion (IFOAM EU).

2. Organic agricultural holdings have to be **entirely managed in compliance with the requirements applicable to organic production** **Art 7.1(a)**

Ideally it's positive because it would simplify the control and there would be less contamination and more guaranties. Nevertheless, it creates practical problems, since about 25% of organic farms have mixed production: risk of losing a large part of organic farms.

3. The **retrospective acknowledgement** for the conversion period is not possible any more (exception: land that has been left fallow for at least the time period required for conversion). **Art.8.3**
4. Products produced during the conversion period shall not be marketed as organic **Art.8.4**
5. Organic operators other than farmers or operators producing seaweed or aquaculture animals are required to develop a **system to measure their environmental performance** (exception: micro-enterprises exempted to reduce their regulatory burden). **Art 7.1(d)**

It's not clear how the environmental management system should be put in place (by whom? How should it be controlled?). The CE has the power to adopt delegated acts to set these criteria.



IV. CONTROL SYSTEM

CHAPTER V

1. Provision on organic control system are integrated in a single legislative text under the **Commission proposal for a Regulation on official controls** and other official activities in food and feed.

[Official Control Regulation](#)

Control in the organic sector has specific characteristics, it is important to keep at least control implementation under organic Regulation (IFOAM EU)

2. The **risk-based approach to official controls is reinforced** by removing the requirement for a mandatory annual physical verification of compliance of all operators.

[Official Control Regulation](#)
Article 23

Inspection is actually very important to assure the consumer.

3. The proposal requires all operators along the organic chain to be submitted to the control system. Currently it is possible for certain retailers to be exempted from controls. This exemption is used very widely.
4. A system of **group certification** is introduced for smallscale farmers in the Union with a view to reducing the inspection and certification costs and the associated administrative burden, strengthening local networks, contributing to better market outlets, and ensuring a level playing field with operators in Third Countries.
5. Specific provisions are introduced to increase transparency with regard to fees that may be collected for the controls, to enhance traceability and fraud prevention and to harmonise action to be taken when non-authorized products or substances are detected.

Article 24, paragraph 1

Article 26

Article 24, par. 2-5

V. TRADE REGIME

CHAPTER VI

The possibility of equivalence agreements with Third Countries remains while the system of unilateral equivalency is phased out. The recognition of control bodies is proposed to be progressively shifted to a compliance regime.

Articles 27-31

Given the different socio-economic and climatic conditions, IFOAM supports the concept of compliance: it is important that the standards have the same goals, but there is no need to have identical standards. This could limit the imports of organic products.

VI. TRANSITIONAL MEASURES

CHAPTER VIII Section II

Transition measures for seeds and breeding animals could be taken by the European Commission. These measures shall cease to apply on 31 December 2021. For the other sectors, the reform is expected to be operational in 2017.

Article 40