

Organic farming: organic production and labelling of the products (repeal. Regulation (EEC) No 2092/91)

2005/0278(CNS) - 21/12/2005 - Legislative proposal

PURPOSE : to lay down rules on the production, placing on the market, import, export and controls of organic products, and the use of indications referring to organic production in labelling and advertising.

PROPOSED ACT : Council Regulation

CONTENT : Council Regulation 2092/91/EC the first ever Community framework for organic farming and food production. More than a decade later and having seen a strong development of organic farming, the Commission has started the process of reviewing this framework on the basis of the experience gained. Organic production has seen an impressive growth since the adoption of the Regulation in 1991 and the contribution of the organic agricultural sector is still on the increase in most Member States. According to the most recent statistical data, 149 000 holdings are certified as organic or in conversion to organic production. In 2003 these holdings represent 1.4% of the total of agricultural holdings in the 25 Member States.

Following consultations, the most important conclusions in the regulatory domain were the need to lay down more explicitly the principles and objectives of organic farming, the importance of safeguarding the integrity of the inspection system, the need to overcome dysfunctions of the internal market caused by national and private logos and standards, the need to complete and improve standards and the need to make import provisions more efficient. The proposal makes the following points:

-The essential requirements defining organic production and labelling of organic products are laid down by the principles and production rules formulated in this proposal.

-The application of these principles will require further detailed rules, the management of which necessitates frequent decisions, such as on the approval of ingredients and substances that may be used in organic products.

-In order to facilitate the decision making process and to further integrate quality into the Common Agricultural Policy and its management systems, a Management Committee should replace the current

'Regulatory Committee'.

The main points of the draft Regulation are as follows:

Scope: the proposal explicitly covers “organic production” and not just labelling. The proposal does not cover the preparation and sale to the final consumer of meals in large scale kitchens. As regards products, the proposed scope covers unprocessed agricultural products regardless of their final use; namely livestock, unprocessed plant and livestock products and live or unprocessed aquaculture products. Processed agricultural products are proposed to be covered for as far as they are intended for human or animal consumption; namely feed, processed plant, livestock and aquaculture products. It thus provides for objectives, principles and production rules for all products including for organic wines, aquaculture products and processed foodstuffs. Detailed rules for all products may be laid down by a comitology procedure. The latter is particularly relevant for the adoption of detailed rules on organic wine production

as that is excluded under the current rules. Production rules for aquaculture will also be established at a later date. No extension of the scope is foreseen at this stage.

Objectives and principles for organic production: an appropriate definition of objectives and principles is needed to strengthen the Regulation. In this regard, the proposal formulates certain objectives for organic production, such as the protection of consumers' interest, ensuring consumer confidence and avoiding misleading labelling. The proposal also establishes the basic "production rules", which should set the parameters of the detailed rules to be laid down by Commission Regulations.

Flexibility: the proposal provides for a, certain strictly, regulated flexibility. Under this flexibility provision Member States will be allowed, by a comitology procedure, to apply less strict production rules to account for variation in local climatic, development and specific production conditions. It basically provides for transforming the current multitude of derogations into a general but strictly regulated system. But, contrary to the current system, the conditions, scope and division of competencies between the actors involved in granting exceptions is clearly laid down.

Labelling: In order to continue protecting the term "organic", current rules on use of or references

to "organic", derivatives, diminutives and translations should be maintained. In addition:

-The EU logo should continue to be available on all products that comply with the Regulation, including for all imported products. The EU logo will not be compulsory for the time being, as it may be viewed as an excessive EC interference in commercial freedom in other areas. However, it is

proposed in those cases where the product does not bear the EU logo, to make the use of a simple standardised text fragment **EU-ORGANIC** on labels compulsory for products produced within the Community. This aims at communicating efficiently to all operators in the production chain and to the consumer that the product conforms to a single EU standard.

-In order to maintain consumer confidence, the use of GMOs and of products produced from or by GMOs should continue to be prohibited in organic farming, as it is the case in the current Regulation. Despite this, in cases where products have been accidentally contaminated by GMOs, the current organic rules do not prohibit the simultaneous labelling as organic and GMO. The proposal prohibits the use of the term 'organic' for GMO labelled products. Finally, the labelling thresholds for organic and non-organic produce should be identical, unless detailed rules foresee specific thresholds for example possibly for organic seeds.

-The current provision requiring a minimum 95% of the agricultural products to be 'organic' should be maintained. However, the category allowing references to the organic production method on the list of ingredients if it contains between 70% and 95% of the agricultural ingredients from organic origin, will be suppressed. In fact, due to the development of the organic sector in recent years, this category of products is not considered to be needed anymore.

Controls:

-Regulation 882/2004/EC on official food and feed controls (OFFC) enters into application on 1 January 2006 which covers organic farming. The specific requirements of organic farming need to be aligned with the OFFC. In this regard, the proposal recasts the organic control provisions using the OFFC framework as far as possible to achieve the desired reforms and updates. The detailed provisions specific to organic production remain under the new organic Regulation.

-As provided for in OFFC, Member States will have to include all production and operations covered by the new Regulation in their multi-annual national control plans and fulfil the requirements of mutual

assistance. The multi-annual national control plans have to be notified to the Commission who may ask for amendments and use them to guide Community inspections. Moreover, pursuant to the OFFC private control bodies will have to be accredited. Finally, the proposal requires that competent authorities and control bodies promote and do not undermine the EC organic standard, in line with the principle of a “single concept of organic production”.

-In order to guarantee the free movement of organic products within the Community, the current provisions requiring Member States to uphold the single market will be retained. In this context the requirement of OFFC on compulsory accreditation of private control bodies, impartiality and freedom of any conflict of interest of designated control bodies is particularly relevant. One of the main purposes of the reform of the organic regulatory framework is to reduce the trade hampering impact on the internal market of multiple public and private certification. The instruments proposed for improving impartiality and reducing conflicts of interest are the integration of private control bodies in the control system, a healthy competition between control bodies and recognition of prior certification decisions for equivalent standards.

-As regards access to national logos and marks of conformity the proposal foresees imposing full access for all products that comply with the Community rules.

-The issuing of certificates stating that a certain operator or a specific lot of products is found to comply with the principles and rules of organic farming is a well-established tool in trade of organic products and often conditions access to marks of conformity. Certification practices used by competent authorities or by control bodies to which the competent authority has delegated control tasks should not have restrictive effects on the free movement of organic goods, nor on the freedom of establishment and the free provision of services in the area of issuing of certificates. In this regard certification practices should be more strictly supervised, in particular where mutual recognition of certificates and the collection of fees are concerned. As regards access to private logos and marks of conformity the proposal foresees rules facilitating access for products that comply with equivalent standards, by placing the burden of proof for not complying with equivalent standards on the control body which logo the operator wishes to use. The fees for control and certification tasks must be reasonable.

-Furthermore, promoting a “single concept” of what constitutes organic production will contribute to consumer recognition and confidence, which in turn is expected to improve the free movement of organic produce. To this end general claims that a certain set of standards will guarantee a “better, stricter or higher standard organic”, directly on organic products or in their advertising or in publicity material should be prohibited. However, non-misleading and true claims of fact will be allowed.

Imports: With regard to trade with third countries, it is proposed to grant access to the EU market either on the basis of compliance with the EU rules or on equivalent guarantees provided by Third Country authorities or certified EU approved control bodies. The equivalency assessments for the purpose of import will be based on the international standard (Codex Alimentarius) or on the Community regulation. Third countries may add their own arrangements where needed. The current system of ‘Community list of third countries’ will be maintained. Annual reporting and follow up control visits with Member States involvement are foreseen. Single product access to the EU market will be granted either on the basis of compliance with the EU standards and submission to the EU system of controls, or on the basis of equivalent guarantees certified by control bodies that have been approved by the Community for that purpose.

Entry into force and application of the new rules: The date for application is set at 1 January 2009 allowing for the reworking and transposing of the existing detailed rules to the new Regulation.

Part of the import provisions of the current Regulation 2092/91/EEC run out on 31 December 2006. The new import scheme should thus apply as from 1 January 2007. However, this will leave little time for its

implementation, in particular as regards the recognition of control bodies competent to carry out control in those countries which are not on the list of recognised third countries. In order not to disrupt international trade, it is considered necessary to extend the possibility for Member States to continue to grant import authorisations for individual products until the measures necessary for the functioning of the new import scheme have been put in place. The Commission includes a second proposal amending Regulation 2092/91/EEC. (Please see CNS/2005/0279).