UK position on the proposed new EU organic Regulation – an update on negotiations

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Plan

- Background
- Outline of the Commission proposals
- Industry views
- UK position
- Negotiations so far
- Next steps
- Your input
Background

• Commission review of legislative and non-legislative framework for organic production

• Aim to target inconsistencies, gaps and ineffective measures, simplify and reduce regulatory costs

• 3 options put forward
  – Improved status quo
  – Market driven
  – Principle driven

• Rationale - Fourfold increase in organic market in 10 years but organic area only doubled
Some issues and problems identified...

• Obstacles to the development of organic production in the EU
  – Insufficient conversion to organic farming, small farmers are not joining
  – Complex legislation, High administrative burden

• Risks of loss of consumer confidence
  – Due to fraud cases, rules watered down

• Unfair competition and threat to the functioning of the internal market
  – Too many exceptions, different rules applied for imports
  – Weaknesses in controls
Commission’s Proposal: Structure

- Consolidated all requirements into one text
- General requirements in main body
- All production rules in Annexes
- Delegated acts to amend Annexes

Key Chapters Cover:
- Scope (Chapter I)
- Production rules (Chapter III)
- Labelling (Chapter IV)
- Organic certification (Chapter V)
- Trade with third countries (Chapter VI)
Key changes: Production rules

- Entire holding under to be managed under organic requirements
- Environmental Management System for operators other than farmers and aquaculture producers
- No retroactive recognition as part of conversion
- De-certification thresholds for non-authorised products or substances
- Removal of exceptional rules (e.g. use of 5% non-organic feed) except in catastrophic circumstances
Key changes: Feed and Processed food

• Feed source
  – Increase in percentage of feed required to be sourced from the holding or ‘region’
    • from 60% to 90% for bovine, ovine and caprine
    • from 20% to 60% for porcine and poultry
  – Reduced % of in conversion feed allowed

• Ingredients
  – non-organic feed materials from plant origin will be no longer permitted for use
  – no longer able to temporarily authorise the use of non-organic ingredients (delegated act for catastrophic circumstances)
  – Reduced list of permitted non-organic ingredients
Key changes: Organic certification

- Certification of all operators in organic chain
- Group certification
- Limit to one Control Body for same group of products

Controls
- Risk based approach to controls – removes requirement for annual inspections
- Uniform measures applied across Member States in similar cases of non-compliance.
Key changes: Trade

- New provisions on export, to facilitate access of EU organic products to the international market
- Move from equivalence to compliance for CBs
- Reinforced rules for accreditation of CBs (ABs need to be members of IAF)
- Recognition of equivalence of TC granted only through international mutual agreements
Industry Views

Positive
• Simplified structure
• Risk-based approach to controls
• Reciprocal trade agreements
• Environmental Management System for certain operators
• Group Certification

Negative
• Removal of exceptions
• Requirement for whole unit to be organic
• Thresholds for non-authorised substances
• Requirement to use increased percentage of feed from holding/region
• Number of Delegated Acts
• Move to compliance system for Control Bodies in Third Countries
• Removal of retailer exemption
UK position

• No need for such significant change

• Concerns about stricter rules resulting in a shrinking sector and focus on consumers

• Concerns that in certain areas the proposal does not realise the aims and has the opposite effect

• Some positive proposals – aim to build on these and negotiate significant changes to negative elements.
Negotiations so far

• The first technical read through of the proposal in Working Parties is complete.
• The UK has voiced initial concerns based on the consultation so far and has submitted written comments.
• Views of other Member States appear well aligned with ours.
• The Presidency has presented a compromise text.
• European Parliament has not yet started its examination of the proposal.
Key positive amendments include:

- Reduction in the number of Delegated Acts
- Reintroduction of exemption for certain retailers
- Return to status quo for parallel production
- Reintroduction of ability to use non-organic seed, livestock and aquaculture juveniles
- List of permitted non-organic ingredients in Implementing Act – can be updated more regularly
- % of in-conversion feed permitted for use increased to current levels
- Debudding of cattle permitted
- Common land requirements returned to status quo
- A list of permitted non-organic feed materials of plant, animal or mineral origin will be included
Presidency compromise text

Changes that need further consideration:

• Scope – reintroduction of product categories
• Delegated Act for reducing conversion period e.g. similar to retro-active recognition
• EMS – EMAS or ISO 14001:2004
• New definitions e.g. group of operators, plant reproductive material, land left fallow
• Other current exceptional rules e.g. management problems in livestock – allowing final fattening phase of adult bovines to take place indoors
Issues that have not yet been addressed:

- Thresholds for non-authorised substances (limited to pesticides)
- Import regime
- Control provisions

Issues relating to specific production rules e.g. % feed from the region will now be dealt with in Implementing Acts at a later date.
Our approach

• Want the regulation to:
  • have a positive impact on growth and trade
  • reduce unnecessary burdens for operators
  • deliver organic produce that consumers can trust
  • ensure fair prices for organic produce
  • ensure a level playing field across the EU
Next Steps

• Consult further on compromise text
• Work with other Member States to strengthen negotiating position
• Work with MEPs to inform their opinions
• Submit suggested amendments to Commission
• Regulation applies from July 2017
Issues that we still need input on:

• Practicalities of sourcing feed from the holding/region
• Issues with limit to one CB per producer for same group of products
• Group certification – is it beneficial?
• Risk based approach to controls vs annual inspection
• Trade inequality – is it an issue?
• Evaluation of existing exceptional rules – some still missing
• Situations that necessitate parallel production
• Evaluation of new definitions – land left fallow, plant reproductive material, group of operators
• Seed issues
• Impacts of thresholds for non-authorised substances (PPPs)