



Department
for Environment
Food & Rural Affairs

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-authorized 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-authorized 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.

Presidency compromise text

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

Presidency compromise text

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



Your input

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-authorized substances (PPPs)