

# ***IFOAM EU Group***

*International Federation of Organic Agriculture Movements - EU Regional Group*

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## **A European Action Plan for food and farming**

### **Recommendations for the content from the IFOAM EU regional group.**

#### **Introduction**

Organic farming can be seen as the most advanced and best-developed approach to sustainable agriculture. The certified organic sector has been established as a model system with high sustainability requirements: As such, through the consistent support from a large and growing number of consumers, has been able to show that there is a demand for products produced with respect for the environment, animal welfare and careful processing.

Therefore the action plan needs to acknowledge this.

Goals for the development of organic farming in Europe must consider all contributions from organic farming:

- The specific contributions to environment, animal welfare and health
- Being a market oriented production method
- Contributing as a spearhead for the development of a sustainable European agriculture
- Working as a innovator and driver of rural development

#### **Recommendations:**

- **From the common goal of 10% organic farmed land in 2007, each EU member state to set a specific goal for their organic farming area in 2007.**
- **2007 10% of the turnover of basic food products to be organic**

## A successful action plan

Several member states have developed or are developing national and/or regional action plans, so appropriate connections and coordination need to be made between these and the European level.

Many of the proposals outlined for the plan will require funding. The EU action plan must therefore be sufficiently resourced if it is to be successfully implemented.

We see this European Action plan as a first important step. However of equal importance is to have a clear strategy for follow up, monitoring of implementation and subsequent review.

### **Recommendations for a successful action plan**

- **Ensure synergy to national/regional action plans**
- **Sufficient funding of the plan**
- **A clear strategy for follow up, monitoring of implementation and subsequent review**

## Capacity building in the organic sector

In view of the increasingly important role that organic farming will be taking in European agriculture and recognizing that the existing organic organizations will be the key in this on-going development, it is vital that they are assisted in the necessary capacity building that they will have to undertake to be able to play their part in this.

This is most important in the new EU countries, with weaker organic organization both at NGO level and in the administration.

### **Recommendations for capacity building**

- **Support for capacity building in the organic sector, especially in the coming member states**
- **Support for networks of excellence**

## Representation

In order to ensure both balanced and expert input into the main discussions regarding organic food and farming in the European Union, it is important that organizations with organic as their key task, together with consumers and environment organizations, are equally represented compared to the conventional agricultural and industry sector in the various structures.

### **Recommendations for representation**

- **Ensure adequately representation from the organic sector in the DG agri committee system**
- **Ensure balanced representation in structures with organic farming as their main issue**

## Marketing

Support for the marketing of organic products is a very important way to assist production and consumption of organic products. However this must support and complement already existent marketing strategies so as to ensure synergy, not competition. The most important component is consumer education and information.

A market-led strategy cannot be the only approach to the development of organic farming. Although the premium price in the market is a main motivator for farmers to convert, it should be recognised that the organic premium is more a reflection of the real costs of production, compared with prices of non-organic products where a significant proportion of the costs are externalised. Organic products cannot be expected to compete fairly with non-organic when there is this gross distortion of competition. Marketing support is therefore necessary to help bridge that gap, at least until it is removed - by ensuring costs are properly internalised.

Consumers in different member states will have to be approached in different ways, but an expanding organic market depends on the growing awareness of an increasing number of consumers and needed be reached. It is therefore important to have general education and information campaigns about organic farming combined with more targeted support for specific issues and/or marketing initiatives. Such initiatives should include local and direct marketing structures and systems, as well as the introduction of organic products into retail stores. There are also many possibilities to build on the synergy effect with rural development and regional products.

For access to the market the farmer's ability to actually deliver the right amounts and quality is a core issue, thus farmers' sales organisations and quality development can be seen as core areas as well.

A number of the suggested actions are already possible under the current CAP. These should be targeted more directly to organic projects and information about the programmes made more easily available.

### **Recommendations for a marketing strategy**

#### **Funding for:**

- **Education and information campaigns about organic farming and organic products.**
- **More specific marketing campaigns for organic products, including development of strategies for larger retailers.**
- **Infrastructure development for sales organisations for organic farmers.**
- **Development of local markets and new ways of direct sales.**
- **Supporting public procurement of organic food.**
- **Development of new products and better processing methods.**

## **Research in**

- **Food quality: improved holistic methods, influence of specific production/processing methods on food quality parameters.**
- **Consumer enquiries: consumer confidence, expectation of the organic production method and organic products, willingness to pay a premium price for organic products on national and regional levels.**
- **Regional conversion/market development for organic production and new forms of co-operation, mainly on a regional level: evaluation of different forms of cooperation (between producers, processors, traders, consumers), comparison of structures, market potential, economic efficiency, political support systems, economic, social and environmental impact within the region, promotion systems, especially in economically less developed areas.**

## Targeting organic farming to environmentally sensitive areas

Organic farming delivers better environmental performance and on top of that gives market possibilities and better animal welfare, we support the use of organic farming as a specific tool in environmental areas. Thus we see possible contributions from organic farming both in:

- Nitrates directive: vulnerable zones
- Habitats- and Birds Directive: Natura 2000 sites
- Water framework directive
- Biodiversity strategy

This use should be clearly implemented in the different policies as well as in the general CAP measures and the Action Plan should state this very clearly.

Finally we will like to draw the attention to the contribution organic farming also can give to the implementation of the Kyoto agreement.

## Adviser service: Encouraging the exchange of technical information between farmers

This is needed both to sustain the growth of organic farming amongst new farmers (organic farming is 'information intensive'), as well as for keeping organic farming as a spearhead for developing a sustainable agriculture. It is important that a participatory approach is taken and that links between research and practical farming are very close and active. Education and information about organic farming should also be targeted at the rest of the food chain including wholesalers and retailers. It is very important to support networking and exchange of knowledge on all levels.

### **Recommendations**

- **Supporting extension service programmes for organic farming in general.**
- **Supporting national and regional programmes of grass-roots research in conjunction with advisors and some researchers.**
- **Supporting exchange networks especially regarding grass-roots research.**
- **Introducing a participatory approach into the conventional extension service on organic farming with focused programmes.**
- **Supporting an educational process to allow that some organic farmers can be prepared as 'extensionists' to disseminate organic farming to the conventional farmers' groups.**
- **Organic demonstration farms open both to other farmers and the public.**
- **Preparing easy publications for farmers about organic farming.**
- **Supporting a collection of relevant research questions, giving an overview of on-going research as well as of the research results in each European region.**

## CAP

The CAP has both positive and negative impact on the development of organic farming. Obviously, the growing financial support through the second pillar agri-environment programmes has been an important factor behind the rapid expansion of organic farming during the last few years. While there is still room for improvement in details, the overall evaluation must be that targeted support to organic agriculture has been a success. By attracting large numbers of farmers in many regions it has contributed very substantially to the objectives of the agri-environment schemes, and by complementing the incentive already given by market prices, relatively moderate levels of support have triggered considerable changes in production systems and environmental impact.

However, other parts of the CAP continue to disadvantage organic farmers. Most first pillar direct support schemes still reward quantity without regard to quality. Organic conversion typically means a reduction of first pillar support. The mixed crop rotations of organic farms receive less area payments than the arable monocropping common on conventional farms. The sharply reduced animal densities in organic farming translate into sharply reduced headage payments. Supply management measures such as set-aside continue to apply to organic farms even though there is a deficit, not a surplus, of organic products.

This lack of coherence between first and second pillar measures conveys a confusing message to farmers. Much of the targeted support to organic farming through the second pillar in fact goes to compensate for the reduction of first pillar support, following conversion. For some farmers, in intensive farming regions, the targeted support is insufficient to compensate for the loss of first pillar payments. Appropriate adjustments to the first pillar thus are a key issue for the continued expansion of organic farming in Europe.

The new midterm review offers new possibilities to support a change in agricultural policy. Note though that the implementation does depend on the individual member states taking up this opportunity.

### **Recommendations**

- **Specific actions mentioned in this paper such as advisory functions for farmers, product development etc fits into the framework of the rural development scheme. It is essential to have a clear objective, to develop the detailed actions needed and to target funding at this development.**
- **Establishment of an office or a support function that can collect the different support measures available for use by the organic food chain and can thus assist in making applications for these.**
- **Obligatory and co-ordinated organic support. There is presently no obligation for member states to offer agri-environment support for organic production, nor any formal co-ordination of the terms of such support. In recognition of the strategic importance of organic production, it should be mandatory for member states to offer support, including for the post-conversion period. To avoid market distortions, there is also a need for some co-ordination of payment levels.**
- **Next revision of the CAP should include a clear framework for the EU organic action plan and its following up.**

## Standards

Differences in private standards exist because of different national structures, farming systems and consumer expectations. These have to be respected in order to ensure continuing consumer confidence in the respective member states. The best way to harmonise is to cooperate; therefore we recommend recognition of the IFOAM accreditation system and a strong initiative to facilitate cooperation and knowledge exchange between the European certification systems, both public and private.

Different standards could be seen as a barrier to trade. On the other hand - seen from the producer side - strict standards help them to differentiate their products, whereas lax standards allow unfair competition and loss of consumer confidence. It is important to remember that for many farmers the discussion of standards is the key issue for engagement, ownership and pride regarding the production system they have adopted. It should also be noted that there is strong agreement around the core of the organic standards – building positive health of the system, avoidance of pesticides, no GMO, etc.

The legislation is based on negotiations between the member states. This is normal procedure but it differs very much between the member states how close a relationship there is with the organic sector and the very practical needs and expertise in each country.

There is no easy solution to the standard question, but there are some key areas that can be discussed and negotiated to ensure progress.

- Equivalence: This is a core term and common understanding of this term is crucial for avoiding barriers to trade. If regional and climatic variation is to be taken seriously the harmonisation of standards has to be made with respect to this. For example, the question is not if animals can be kept in stables for one or five months during winter but if there are clear requirements that ensure freedom of movement and access to free range as far as the weather conditions allow etc.

### **Recommendations**

- **Making more effort to discuss and implement equivalence as a tool for mutual recognition of standards. If there are juridical problems they should be shown and solved.**
- **Making a common group with representatives from both public and private systems to give advice/solutions in disputes regarding mutual recognition of standards and certification issues.**
- **Use IFOAM Basic Standards - the organic sector's global frame for defining the baseline for organic farming.**

- **Public/private:** A major difference between the member states is whether or not they are applying the EU standards as public standards, and thus are restricted in making stricter standards nationally. This makes strong pressure towards the EU regulation being very detailed. We recommend that private and public standards should have the same possibility to make stricter standards, as is already permitted in the animal part of the regulation, not to promote further standard differences, but to have the same basis, the same possibilities and therefore the same need for agreement.

#### **Recommendations**

- **Allow state certification and labelling to work beyond the EU regulation with regards to standards.**
- **Start negotiations about equivalence between the EU regulation and IFOAM basic standards.**

## EU Logo

The European logo for organic farming can be of use in some parts of Europe. But we find it much more important to protect the term organic/ekologisk/biologique etc. and to target information campaigns to support the consumers' understanding of this.

#### **If the EU-logo is going to be used:**

- **It should be changed so as not to be confused with the regional origin logo.**
- **It must be able to be used also on imported organic products.**
- **It must be possible to use it together with other organic labels (private as well as state logos).**

## The organic guarantee system

The legislation sets a number of requirements for standards and inspection, certification and accreditation. The member states have chosen very different ways of implementing this. The reasons for this include differences in practice before the regulation and the consumers' view of, and confidence in, public versus private systems.

The question is not which system to choose, but how to make the systems work together so as to strengthen the consumers trust in organic products, minimise the costs to certification and keep the dynamic approach to standards. Facilitating cooperation between all systems - private and public - of standard setting, certification and accreditation is therefore of uttermost importance.

Note that the requirements for IFOAM accreditation include specific additional steps regarding the quality of the certification, specifically meant for a process-orientated certification.

Organic farming should not be based on testing methods but should be based on certification of the production process.

### **Recommendations**

- **Initiate cooperation between the Commission, the member states and private certification organisations to ensure that different systems (public, private etc.) have equal access to develop, discuss, implement and improve standards, certification and inspection of organic products. To work for the development and implementation of best practices and a general high performance throughout the whole certification system.**
- **To take the initiative for cooperation and mutual recognition between the private and the public sector.**
- **To examine barriers in both public and private systems that stop mutual recognition and make them take action.**
- **Accept IFOAM accreditation as equivalent to ISO 65.**

## Trade and transparency

The organic certification system is in principle a system of traceability to ensure consumer trust. This needs to continue to be strengthened in close cooperation with the sector, to ensure that there is a balance between securing transparency and integrity of organic products without increasing bureaucracy, availability problems and costs.

The aim of certification and accreditation is to ensure the quality of the control system for organic products, to prevent fraud and to ensure smooth and competent trade with organic products; this with the minimum of costs.

This is not always the case inside the common market today but as with the issue of standards there has to be room for balancing between the simple solutions and the need for development and quality guarantees. Further it is critical that cooperation and trust is established between all bodies responsible for certification, be it governmental or private. Those concerned should deal with problems with fraud or suspected fraud swiftly.

We see a need for cross control keeping track of the amounts of organic products in the chain from farm to fork.

#### **Recommendations to minimize the barriers to trade:**

- **Recognise that private level of certification and private labels have an important role in promoting organic agriculture and organic food products.**
- **Facilitate cooperation and knowledge exchange between all European inspection and certification bodies, both private and state.**
- **Facilitate direct communication regarding product flows, fraud etc. between the responsible certification bodies.**
- **Wholesalers should be obliged to register their activities and be inspected**

## Import

The European Union market is one of the world's most significant markets for exporting developing countries. There is a tendency that the European regulation becomes the norm for production also in developing countries as a prerequisite to get access to the European market. Through the new "customs regulation", there will be even stricter demands for import to the union than for trade between countries in the Union. This is in spite of the fact that the majority of fraud that has been exposed has been related to trade inside the Union.

The difficulties for imports to get acceptance in the union have been criticised from various directions, including among others, UNCTAD. There are though good opportunities to develop the mechanisms to get a better function and instead making the Union the good example. Relevant measures include clear and written procedures (so there is consistency between member states), recognition of equivalency in standards, risk assessment approach (especially for extensive systems), statistic-relevant re-inspection of grower groups, etc.

Finding good solutions for determining equivalency will be an important part of the future development of the organic sector in the Union. In this matter the IFOAM Basic Standards and IOAS (the International Organic Accreditation service) can offer international and specific experience.

#### **Recommendations**

- **Critical difficulties for import to the Union to be identified and resolved. These include clear and written procedures, recognition of equivalency in standards, risk assessment approach (often extensive systems), statistics relevant re-inspection of grower groups etc.**
- **Recognition of private systems for accreditation, in particular IFOAM accreditation.**
- **Funding for supporting the third world countries to build up expertise and certification bodies of their own.**

## Standard setting

What is required is, excellent and transparent advice from researchers and others in a system dynamic enough to contain the very wide range of expertise needed. Also much stronger stakeholder influence, including consumer and environmental representatives in standard setting, is essential.

### **Recommendations**

- **A broad stakeholder body should be the place for the final advice on standards issues concerning the EU legislation. These advices should have much stronger impact in the EU standard setting procedure. It is recommended a majority were from the organic sector, environment and consumer organisations.**
- **Furthermore we recommend rolling conferences taking up different issues to be examined in depth and discussed by researchers and key persons from the sector as well as the member state representatives as a base for standard decisions.**

### **Input evaluation:**

Within a future European Action plan it is important to further develop harmonised and standardised evaluation tools and procedures for the development of council regulation EEC 2092/91, and for the benefit of the future development of organic agriculture and the competitiveness of organic farmers in the EU. These improved procedures will make the process of input evaluation more transparent to all stakeholders, and will ensure better involvement of all stakeholders in the decision-making process.

### **This process can be supported by:**

- **Support of a Concerted Action on "Organic Input Evaluation" (proposed in the EU 5<sup>th</sup> Research Framework Programme)**
- **Cooperation with IFOAM Standards Committee and IFOAM EU Group regarding the development of the criteria and assessment of substances in order not to duplicate the work and harmonise the procedures.**
- **Harmonisation with Codex Alimentarius work (results of the Organic Food Working group in the Codex Labelling committee meeting of May 2002, where input criteria have been further developed).**

### **Wine:**

We find it important, that standards for wine are developed in cooperation with the sector and implemented.

## Statistical data

Available and up to date statistics are important especially to monitor the market expansion of organic products and to help define further policy. The risk of periodically oversupply of single products and other market imbalances should be monitored to be able to find solutions.

### **Recommendation**

- **Prepare and include specific organic statistics in the EU service.**

## Research

We strongly support a dedicated organic research programme. Inside this it must be possible to make priority areas that are specific to organic farming. Those with organic expertise can then judge these so that the most excellent and appropriate projects can be selected. This will help ensure that organic research, which is based on a systems approach, and organic research needs are evaluated in the right context.

### **Recommendation**

- **A specific research program for the organic area from farm to fork**

## GMO and co-existence

Introducing genetic modified crops in EU will be a negative challenge for organic farming. Sufficient co-existence measures at EU level must be made as a general policy.

*The action plan must recognize the scale of this problem. Needed actions for co-existence are:*

- Protection of the organic farmers' and processors' legal rights not to be contaminated and to ensure there is liability for compensation where contamination is found.
- Measures to ensure the owners of the GMOs are fully responsible for their crops and for preventing the spread of the GMOs.
- Measures to ensure that the owners of GMOs develop and make available validated testing methods for these organisms before release so they can be properly identified.
- Keeping the level of contamination of all seed in the EU to under the detection level as this is the only viable basis for preventing the spread of GMOs.
- Facilitating access for organic farmers and other producers to non-GMO input.

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**The IFOAM EU Regional group is a stakeholder NGO for the organic sector. Connecting more than 300 IFOAM member organizations in the EU covering the complete range of organic professional- and consumer organizations, including producer associations, research establishments, certification bodies, consultants, development organizations, processors, wholesalers and retailers. The board has national representation from each current member state as well as representatives from CEE countries.**