



European Economic and Social Committee

NAT/647
**Organic production and
labelling of organic products**

Brussels, 16 October 2014

OPINION

of the

European Economic and Social Committee

on the

Proposal for a Regulation of the European Parliament and of the Council on organic production and labelling of organic products, amending Regulation (EU) No XXX/XXX of the European Parliament and of the Council (Official Controls Regulation) and repealing Council Regulation (EC) No 834/2007

COM(2014) 180 final – 2014/0100 (COD)

Rapporteur: **Armands Krauze**

On 2 April 2014 and 28 April 2014 respectively, the European Parliament and the Council decided to consult the European Economic and Social Committee, under Articles 43(2) and 304 of the Treaty on the Functioning of the European Union, on the

Proposal for a Regulation of the European Parliament and of the Council on organic production and labelling of organic products, amending Regulation (EU) No XXX/XXX of the European Parliament and of the Council [Official controls Regulation] and repealing Regulation (EC) No 834/2007
COM(2014) 180 final – 2014/0100 (COD).

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 2 October 2014.

At its 502nd plenary session, held on 15 and 16 October 2014 (meeting of 16 October), the European Economic and Social Committee adopted the following opinion by 61 votes to one with 5 abstentions.

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1. Conclusions and recommendations

- 1.1. The EESC welcomes the Commission's legislative proposal and its intention to foster the development of organic farming in Europe in parallel with the development of the demand and agrees that there is a need to remedy the shortcomings of the current system. The Commission should both encourage the development of organic farming and boost consumer confidence in organic products.
- 1.2. Nevertheless, it is concerned that the Commission's impact assessment fails to properly assess the impact of a new regulation on the further development of organic farming in Europe. Nor does it assess the impact on organic farmers and the effects of this regulation on continuity of production.
- 1.3. The Committee supports the Commission in its efforts to encourage small farms to turn to organic farming and to reduce the administrative burden for the organic products sector as a whole.
- 1.4. The EU is a net importer of organic products; however, rising production costs and the ever increasing administrative burden on EU farmers do not allow the sector to respond appropriately to the challenge of stepping up EU organic production to meet growing consumer demand.

- 1.5 In the main, the Committee supports the Commission's goal of total conversion of mixed farms to organic farming, provided that provision is made for exceptions in certain cases. Additional support measures are required to help farmers make the transition to 100% organic farming.
- 1.6 The EESC urges the Commission to make the proposal for a regulation more specific as regards seed and vegetative reproductive material, since it will be difficult for organic farmers to reach the target of using 100% organic seed by 2021.
- 1.7 The EESC hopes that the negotiations on the Transatlantic Trade and Investment Partnership (TTIP) and any other agreements that may be concluded will not result in the undermining of the EU organic standards or the re-opening of discussions on or alterations to the conditions applicable to the sale and certification of organic products.
- 1.8 When it comes to animal well-being, organic farms must be held to higher standards than conventional farms at many levels; nevertheless, in some cases, it may be difficult for organic farmers to comply with the high requirements. Certain operations are banned in organic farming in connection with animal welfare considerations and the EESC recommends that the Commission consider and define very carefully the scope for exceptions, with a view to preserving the long-established traditional farming methods and arrangements employed for local breeds.
- 1.9 The Committee urges the Commission to analyse and take account both of the varying traditions, histories and climatic conditions in the Member States and EU regions and of the specificities of production in individual countries, ensuring that there is scope for flexibility in applying the exceptions while at the same time a certain level of harmonisation should be guaranteed.
- 1.10 Organic farmers must be able to meet their existing commitments and, for this reason, after the entry into force of the new regulation and midway through the 2014-2020 funding period for rural development programmes, farmers must be given the option of continuing with their existing commitments or following the new regulation. It has to be assured that changes in the current legal framework within an ongoing contract period do not result in retroactive sanctions for those farmers who cannot adapt to the amended requirements.
- 1.11 The EESC asks the European Commission to take account of the specific characteristics of Europe's outermost regions to enable them to develop local organic farming (access to seeds, a lack of diversity of supply, health problems).
- 1.12 The EESC calls on the European Commission to clarify the status of royal jelly, pollen and beeswax by including them in the list of other products in Annex I of the draft organic production regulation.

- 1.13 The EESC calls on the Commission to allocate sufficient aid for innovation and training in the area of organic farming, focusing specifically on vocational training for young people and lifelong learning for existing producers.
- 1.14 The EESC asks the Commission to draw up a proposal for a regulation that furthers the implementation of direct sales and short supply chains, for organic products.
- 1.15 The EESC calls on the Commission to ensure that the regulation provides the necessary tools to promote the public and collective procurement of organic foodstuffs in schools, hospitals and other public facilities.

2. **General comments**

General information on the positions of stakeholders

- 2.1 Organic farming is a holistic production system based on the management of natural resources, which places strict limitations on the use of chemical and synthetic inputs, prescribes the avoidance of mineral fertilisers and prohibits the use of genetically modified organisms (GMOs).
- 2.2 Organic farming cannot be reduced to one particular production method or to the development of certain products; it is a much broader concept. Organic farming takes into account not only the physical environment where it is carried out but also its social conditions. This type of production has a much broader vision, which also considers the socio-economic, political and socio-cultural dimension.
- 2.3 Biodiversity is generally much greater on organic farms, which support more species of plants and insects than their non-organic counterparts. On organic farms the soil is much richer in living organisms, which help to maintain its structure and ensure a high proportion of organic matter, thereby improving aeration and drainage.
- 2.4 Water quality in the surrounding areas is higher, as organic farmers use no pesticides or harmful synthetic mineral fertilisers. Proper crop rotation helps to improve soil fertility and increases nutrient use efficiency. Comparisons between farms demonstrate that nitrate leaching per hectare is 57% lower on organic farms.
- 2.5 Organic farming also fosters the creation of "green" jobs. A study conducted in the UK and Ireland in 2011 on employment rates on organic farms revealed that the latter generated 135% more full-time jobs than conventional farms¹.

¹ *Morison, J., Hine, R. and Pretty, J., 2005. Survey and Analysis of Labour on Organic Farms in the UK and Republic of Ireland. International Journal of Agricultural Sustainability Volume 3 (1).*

- 2.6 During the Commission's on-line consultation in 2013, stakeholder organisations stressed that the review of legislation in this area should be based on the successes of current legislation and enable the EU to increase organic production. Among the scenarios proposed by the Commission, the majority of stakeholders supported the "improved status quo" policy option, i.e. better enforcement of and adjustments to the current legislation.
- 2.7 Despite the views of stakeholder organisations and civil society with regard to the new legislation, the European Commission has prepared and presented a legislative initiative that introduces significant changes.

General information about the Commission's legislative initiatives

- 2.8 The Commission proposal focuses on three main objectives: maintaining consumer confidence, maintaining producer confidence and making it easier for farmers to switch to organic farming.
- 2.9 The Commission proposes to strengthen and harmonise rules (both in the European Union and for imported products) by removing many of the current exceptions in terms of production and controls; to address the international dimension of trade in organic products for effectively by introducing new provisions on exports; and to reinforce controls by making them risk-based.
- 2.10 One of the Commission's key aims is to make it easier for small farmers to switch to organic farming by introducing the option for them to sign up to a group certification system, and to simplify legislation in order to reduce administrative costs for farmers and improve transparency.

3. General and specific comments

- 3.1 The EESC agrees that there is a need to remedy the shortcomings of the current system. For instance, it is vital to encourage small farms to turn to organic farming and to reduce the administrative burden so as to ensure a level playing field and boost consumer confidence in organic farming.
- 3.2 Raising quality standards for organic production and introducing stricter rules for manual production will make it possible to increase consumer confidence and also justify the price difference between organic and conventional products. However, it must not be forgotten that small farms wishing to meet these standards risk encountering economic difficulties.
- 3.3 The EESC urges the Commission to indicate clearly that the key provisions in the current legislation will be incorporated in the new regulation rather than in delegated acts and that they will continue to apply. Consideration will need to be given, in good time and in

consultation with stakeholders, to which cases require implementing and which delegated acts.

- 3.4 The EESC draws attention to the fact that organic farming is not compatible with the use of genetically modified products in the production process or with the cultivation of genetically modified crops on and around organic farms.
- 3.5 The EESC calls on the European Commission, to take into account the scientific studies on pollination. Pollination, which has developed over millions of years as a means of fertilising flowering plants, takes place fortuitously over the distances that can be covered by the pollinators, particularly bees (*Apis Mellifera*). Today, however, pollinators can also transport pollen containing genetically modified genes. For example, scientific studies² show that bees, one of the main pollinators, can fly distances of up to 14 km
- 3.6 The EESC is concerned that introducing separate limit values for organic products, as specifically provided for under Directive 2006/125/EC, may generate considerable extra costs. This would hinder or prevent the sector's successful development and smaller-scale organic producers would mainly be affected. The EESC assumes that organic farmers are subject to exactly the same environmental conditions as all other farmers. Separate limit values should therefore be avoided. Consumer protection should not be split into two components.
- 3.7 The EESC emphasises that the proportion of residues is basically lower in organic products than in products from conventional farming, but points out that residue limits have not yet been established. Accordingly, the EESC recommends as a starting point to conduct a careful study including an impact assessment. Furthermore, the EESC emphasises that there are no standardised EU rules for European laboratory equipment, the methods used or the de-certification thresholds applied by the certifying bodies. This harmonisation should precede the establishment of any other form of European de-certification threshold. It is absolutely necessary for this initiative to be linked to the introduction of an EU mechanism for compensating operators who suffer losses as a result of adventitious or secondary contamination.
- 3.8 In the main, the EESC can understand the Commission's goal of total conversion of mixed farms to organic farming. Nevertheless there are currently many mixed farms, with one part managed in compliance with the requirements applicable to organic production and another managed as a conventional farm. The legislative proposal plans to phase out mixed farms by 2017. The Committee points out that it will be difficult for many farms to convert the entire

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Displaced honey bees perform optimal scale-free search flights
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Ecology, 88(8), 2007, pp. 1955-1961.

holding. Moreover it is very unclear what consequences a rigid implementation of this principle might have. Strategic splitting of holdings or increased abandonment of the organic production would be rather counterproductive. Therefore the EESC recommends maintaining flexibility in certain cases.

- 3.9 The EESC recommends that exceptions to the rules be maintained in certain specific cases of parallel production (farms producing both organic and conventional products). If no such provision is made for exceptions, the development of organic farming could be impeded. Exceptions should be maintained in the following cases: 1) for scientific institutes conducting studies of both organic and conventional farming; 2) for non-food products: for example, organic farms involved in agro-tourism should be permitted to keep conventional riding horses; 3) for personal consumption: for example on vegetable farms, where the owners keep a few cows or chickens to meet their own needs; 4) for farms that extend across different geographic areas: for example, where one part of the farm's land or buildings are situated in the mountains and another in the valley, or where two farms have historically been united although they are several dozen kilometres apart, meaning that there can be no contamination of organic by non-organic products; 5) perennial crops, in particular arboriculture and viticulture or plants used in perfumes, etc.; 6) crops that have no organic farming outlets.
- 3.10 When it comes to animal well-being, organic farms must be held to higher standards than conventional farms at many levels. The EESC recommends that the Commission give careful consideration to the specific requirements imposed on organic farmers and to provide for exceptions for particular operations (such as tail-docking and keeping animals tethered) that are banned in organic farming in connection with animal welfare considerations. To cite one example, in several EU Member States many years of selective breeding have produced traditional breeds of sheep for which tail-docking is a necessary operation, as the long tails would otherwise cause the animals to suffer. The EESC draws attention to the fact that, like the failure to introduce exceptions, some bans may actually reduce the well-being of the animals if they prevent long-established traditional farming methods and arrangements in use for local breeds from being applied. The bans might even lead to the disappearance of some breeds, which would represent a considerable loss of genetic resources.
- 3.11 The exception allowing the use of non-organic seed will be phased out by 2021. Organic farmer organisations report that it will be difficult for farmers growing specific varieties to reach 100% organic seed by 2021 in many countries. The EESC urges the Commission to make the proposal for a regulation more specific so as to prevent organic farmers from encountering difficulties in this area. However, the exception should only apply to crops for which seed appropriate to the local climate and conditions is not available on the market.
- 3.12 To this end, the Commission should provide for support mechanisms for developing seed production and add provisions that will enable the goal of exclusive use of organic seed and vegetative reproductive material to be achieved.

- 3.13 Other aspects of the organic seed market also need to be given special consideration. For instance, no restrictions must be placed on farmers' right to exchange seed, this being a prerequisite for obtaining seed that is 100% organic. Exchanges of this kind are vital to the selection that farmers carry out at local level. It is this choice that enables farmers to obtain varieties adapted to the local climatic conditions in a specific region and cultivate them without using mineral fertilisers and pesticides, whilst respecting historical and climatic differences and the specificities of production in individual countries.
- 3.14 The EESC draws attention to how important ecotypes of varieties and local crops not listed in the database of registered plant varieties are for organic production. It would be valuable to support efforts to give farmers a greater role in seed production and the search for new varieties. One of the main points cited is the lack of organic seed, particularly for vegetables. In conventional farming the emphasis is placed on products which have an appeal for the global market, in other words, on the worldwide use of hybrid varieties which are the property of multinationals and, as we know, cannot be used in organic production as they are cultivated using conventional methods.
- 3.15 Being new, the EU organic logo is not yet well known. National organic logos are important for consumers and their use should be maintained. For this reason, the EESC recommends that Member States be given the option of introducing stricter requirements and establishing national or private standards for animal species not covered in the regulation (such as deer, quail and wild boar), and for mass catering.
- 3.16 The EESC agrees that there is a need for stricter controls for products from third countries to ensure that they comply with EU requirements. Import controls can be strengthened by moving from equivalence to compliance in relation to the recognition of control bodies in third countries. However, the potential negative effects on the domestic organic markets in EU countries of the shift from equivalence to compliance have not been fully identified. For example, in 2001 establishing new import requirements in Japan resulted in a decline in the domestic organic market. A more detailed impact assessment is essential.
- 3.17 With respect to trade and trade agreements with third countries, the EESC underlines the importance of ensuring that products intended for export to the EU comply with production standards that are as stringent as those established for organic production at European level. The EESC endorses the introduction of electronic certification for product types and ranges, supported by reliable databases, which will enable the Member States to react quickly in cases of non-compliance by blocking the circulation of products that do not meet the requirements.
- 3.18 The EESC assumes that the EU organic standards must not be undermined or the conditions applicable to the sale and certification of organic products will not be re-opened for discussion or altered in the context of the negotiations on the Transatlantic Trade and Investment Partnership (TTIP).

- 3.19 Organic farming is a production method defined by its process; therefore, it cannot be characterised by finished products which meet one or more established standards. It is important that controls remain process-oriented.
- 3.20 The EESC advocates continuing with annual on-farm checks and believes that they should be based on a risk-assessment approach, which should be harmonised at EU level. The cost of the controls must be proportionate to avoid increased expenditure on the part of organic farmers and give consumers the opportunity to buy organic products at a reasonable price. However, provided that a risk-based control approach proves to be safe and credible for the control system, the interval of on-farm inspections could be adjusted.
- 3.21 The EESC is in favour of group certification for small farmers as provided for in the Commission's proposal with a view to reducing 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. At the same time, the EESC notes that this is a complex exercise which must be implemented gradually.
- 3.22 The EESC believes that it would be inappropriate to abolish the legislative provision allowing retailers to benefit from exemptions, since this would mean that commercial enterprises selling pre-packaged organic products would then have to be certified organic. This requirement would hamper trade in organic products and reduce the number of sales outlets and consumer access to these products. For example, small shops might not wish to pay for a certificate allowing them to sell organic products if they only intend to sell a limited selection of seasonal organic products and, as a result, organic farmers might find it extremely difficult to sell their products.
- 3.23 The EESC stresses the need to introduce EU-level market surveillance measures in order to gather information on the availability of the various products on the European market and on market trends, in particular the availability of organic seed in the various Member States.
- 3.24 The EESC welcomes the Commission's intention to draw up an action plan for the development of organic production within the European Union and its objectives, whilst noting that the plan is extremely general and incomplete. The measures the Commission proposes in the action plan need to be both clear and precise. For instance, in some areas, the Commission intends merely to propose, advise, help, consider or encourage, whilst farmers and the public expect concrete measures.
- 3.25 The EESC considers that the action plan should make the relationship between organic farmers, conventional farmers and farmers growing genetically modified plants one of its key priorities, with the aim of diminishing the risk of contamination by GMOs. Timely interpersonal communication, a discussion of the existing problems and a search for solutions will be the only way of achieving results and ensuring that these different spheres can coexist.

The EESC calls on the Commission to make the requisite means available to inform stakeholders and involve them in the decision-making process.

- 3.26 The measures set out in the action plan to raise awareness of the European instruments for supporting organic farming will not be sufficient to boost the competitiveness of the EU's organic farmers or the volume of organic production. The EESC recommends that an EU-funded campaign be organised to provide more information about Europe's organic farming system as a whole and about the new European logo for organic products.
- 3.27 The EESC considers that the Commission should provide more support for vocational training for young people, lifelong learning and innovation in the area of organic farming, by earmarking resources for this in rural development programmes and other European programmes. The EESC recommends that the Commission complement the legislation and the corresponding programmes by making support available for colleges and other education and training establishments to provide training and encourage innovation in the area of organic farming.
- 3.28 Moreover, organic farming is proving to be one of the main points of entry into the agricultural sector for young people. Developments in new information and communication technologies and the entry of young urban dwellers into this sector through organic farming present a major opportunity for the sector to become a force for innovation in disadvantaged areas.

Brussels, 16 October 2014.

The President
of the
European Economic and Social Committee

Henri Malosse
