

Civil Dialogue Group "Organic Farming"

Meeting of 12 May 2017

1040 Brussels, Conference Centre Albert Borschette, rue Froissart 36 – room AB-0C

Draft Minutes

Agenda, relevant documents and presentations given during the meeting are publicly available at:

https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en

The Commission DG AGRI Unit B.4 'Organics' will be shortened as **COM** in this document

The Chair is Christopher Stopes, IFOAM EU President

The Vice Chairs are Lone Andersen from Cogeca and Richard Lawrey from SACAR

The Chair welcomed the newly appointed Head of the Unit 'Organics', Mr **Nicolas Verlet**.

1) Approval of the agenda and of the minutes of the previous meeting (25/11/2016)

IFOAM EU and **COPA-COGECA** asked to allocate more time in the agenda for point 2 on the new organic regulation.

SACAR proposed to add a discussion point on the folpet/phtalimide issue, as there are new research studies on the table.

IFOAM EU asked to add a point on baby food supplementation.

ERPA asked to add to point 9 the derogation on pullets.

Minutes of the previous meeting were approved.

2) State of play of the discussions of the review of the organic farming legislation and calendar for implementing and delegated acts

COM did not give a presentation of the state of play as the negotiations were ongoing and "nothing is agreed until everything is agreed". The situation changes day by day and so far, 17 trilogue negotiations have taken place. There is an agreement on most of the points, but some others stay controversial. At the end of May there will probably be an agreement. The remaining points are: pesticide residue, seed, derogations, greenhouse.

ESA stated that the new regulation has to be finalised with the aim of having an added value, not just a political agreement. At the moment, provisions seem to be inconsistent, some parts seem to incentivise the production of organic seed, other parts of the same regulation go in the opposite direction. In particular ESA proposed to set a EU-wide seed database instead of many National ones.

COPA said that the time is over, if it is not possible to close on 100% of the issues, then is better to close on the agreed 90% and then to deal with the rest. Anyway COPA and COGECA are not satisfied with the process as the revision is taking too much time.

The whole sector is growing, the organic file is a political case, not a consumer case.

COPA asked what happens in case an agreement is not reached at the end of May, will the COM continue negotiating?

COM answered that they will try to get to an agreement in May, but not at any cost. COM wants an added value as well and not just a political compromise and understands the concerns of the sector, that needs stability. It is on the top of its priorities.

IFOAM EU shared the frustration of COPA-COGECA in this phase. The first proposal was published more than 3 years ago and the trilogues have been ongoing for 18 months. The process is not transparent and the stakeholders have very little information and that little information is worrying. There are inconsistencies at technical level and very few stakeholders see an added value. An example among many others: what is the advantage of cancelling the mandatory annual inspection? This will heavily affect the consumer trust in organic.

COM answered that the technical inconsistencies will be fixed once the agreement is reached. As for the annual inspection, there will be both options, the Member State will decide if having the annual inspection mandatory for everyone or not. If not, the evaluation of the risk will have to be based on 10 criteria. Today the criteria are only 3. This is an example of added value.

WWF: it is important to liaise more with the sector. The private standards are much more advanced than the EU legislation. This new regulation is a lost opportunity, e.g. for dealing with environmental challenges such as water use in agriculture.

COPA underlined the worries and the uncertainty if the dossier will be closed in three weeks. In the COPA-COGECA's organic working party, a serious discussion took place on the revision process and the issue of ending this process was addressed because a majority of the present members declared they wished to stop this process as risks and negative effects could be higher than the added value.

IFOAM EU reminded that the current legislation is the legacy of the private standards and of civil society activities. There should be a strong partnership between institution and the organic stakeholders for improvements.

Since the work on the new regulation started in 2012, the current regulation has been completely neglected and was not developed further.

Additionally, at the end of 2016 the negotiators took a break to think and change approach, but this did not happen. The process re-started at the same way as it was before.

COM: The break was an initiative of the Council and of the Parliament. The Parliament even organised a hearing with the stakeholders. Anyway, the Commission is willing to work together with the stakeholders and the implementation of the new regulation will give us this opportunity.

EOCC: it is a bit contradictory, if the stakeholders are not supposed to see the text, how can they contribute. We are not sure the hearing was helpful, but we invested a lot of time and resources to prepare it.

There will be a lot of implementation problems if the text stay as it is now, will you install a help desk for the sector?

COM said that it is normal that in the sector there are diverging opinions. In case there will be a new text, we have to work together. We are open to listen to you and to the Member States.

COGECA: added that it should be avoided to have more Brexit cases. This is not a good story to communicate to the EU citizens. We hope there will be a happy end.

COPA: following on the WWF statement, the market is many steps ahead, we are very late. If you do not reach an agreement in May, please take the good points and try to use other legal tools to improve the current regulation, e.g. the horizontal legislation on Official Controls.

ECVC at the beginning was in favour and expectations were very high, but perhaps they were illusions. We need more transparency and to listen to the consumers. We are losing an opportunity.

The process is being too long and this affect the confidence of consumers.

AREPO made a call for responsibility and underlined that there are very high expectations and the sector cannot wait longer.

FEFANA pointed out that it seems that the work on technical matters is not really progressing because no agreement on the new basic Regulation was yet possible. FEFANA wish is that a good compromise agreement on the new Regulation is found so to make possible that more time will be dedicated to technical debates, notably on implementing rules.

2b) Baby Food supplementation

COM said that the issue is being discussed with the co-legislator. At the moment, the status quo applies.

IFOAM EU said that a legal interpretation provided by the Commission is creating legal uncertainty for operators. There is an urgent need for clarification. If Member States interpret in a certain way that legal interpretation and decide to implement it accordingly, then this could lead to the end of organic baby food.

EOCC supported the need for urgent clarification. It has to be clear whether baby food can be supplemented or not. And, in case, a transitional period would be needed.

COM answered that the situation was not clear before. They answered to a question posed by an operator. It is an interpretation and the COM understands that there can be legal actions. The co-legislators are aware of the problem and they will not repeat it on the new regulation.

3) Update of the EGTOP's activities and its composition

COM shortly updated on the situation of the Expert Group for Technical Advice on Organic Production (EGTOP).

Call for applications for the renewal of the group was extended until the 17 March 2017 and COM is about to conclude the selection of experts. After this, there will be a new series of EGTOP meeting.

Member States are submitting dossiers on many substances, in particular for food production: mannitol, charcoal, glycerol, silicon dioxide. There are also one dossier for feed and one for fertiliser.

EOCC asked for clarification on the use of lecithin, as conditions for use are very unclear and bring an implementation problem. The condition for use reads: "Only when derived from organic raw material", therefore this may imply that lecithins are not organic, but only the raw material from which they are produced have to be organic.

COM answered that the EGTOP will solve this.

IFOAM EU asked to take into account the huge work done by the EGTOP, which is not always followed up. Whole reports or large areas of reports have not resulted in any updating of the current regulation and are not reflected in the proposal for a new regulation e.g. reports on poultry in 2012 and greenhouses in 2013. It might be wise to review the advice on file, see if it is still relevant and where it is not to issue new mandates to update the advice.

ERPA supports that EGTOP reports on poultry do need to be looked at, certainly in respect of the implementing acts that might follow any agreement on the proposal for a new organic regulation. In particular, criteria for slow growth in EGTOP report might need to be revised

COM replied that they will review reports on file and consider if these are still relevant or need updating. If updating is required, it might be that this can form the basis for new EGTOP mandates.

4) State of play of the implementation of the action plan

COM gave a presentation.

(available at https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en)

COPA thanked for the overview and asked for clarification on the point of seed database for stakeholders.

COM answered that there is nothing new and had nothing to add to what was presented.

IFOAM EU on action 7 of the Organic Action Plan asked the COM to ensure that the last working program of Horizon 2020 (H2020) will take into account the priority topics identified in the action plan. Unfortunately, so far only 2 out of 8 priorities have been subjects of H2020's calls.

COM answered that they will try.

COPA or **COGECA** (Tozzi) on the seed database asked whether the problems of implementation are related to IT technicalities or simply that not all the Member States have a seed database. Additionally, a clarification on the Third Countries involved in the process for a multilateral international agreement was asked.

COM answered that the problem with seed database is not related to IT technicalities. About the international multilateral agreement, so far, the EU met with the US, Canada, Switzerland, Chile, Japan and South Korea. The objective is to establish a roadmap.

FoodDrinkEurope added that the seed database is working well e.g. in the Netherlands, in France, in Germany. It is not about the difficulty of providing data, but the willing of Member States.

5) Presentation on the needs in organic data collection

Diana Schaack from AMI (Agricultural Market Information) gave a presentation on the outcomes of the EU project "Organic Data Network". (available at https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en)

EOCC reported some problems of collection of data in certain areas. E.g on the use of antibiotics there is only data on non-compliant use, but data on compliant use is missing. Or the data on

movement of organic cows in Belgium is still paper-based. The best would be to try to collect focused data.

PANE would have expected to have a presentation from the Commission, even if appreciated that IFOAM EU organised it. It is crucial to have market data not only in the Civil Dialogue Group on Organic Farming but also on the other CDGs.

COM answered that they do not have complete data for every product. Of course they can show in future the data they have.

6) Update on Organic Trade

- a) Update on the e-COI, feedback on EOCC tests made on TRACES databases**
- b) State of play of trade agreements with Third Countries**

Antoine Faure from Ecocert/EOCC gave a presentation on point a)
(available at https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en)

COM provided an update on point b), specifically on the upcoming adoption of an equivalency agreement between the EU and Chile. The scope is very broad for EU products that can be exported to Chile, while it is stricter for Chilean products that can be imported into the EU. As for the procedure, the EU Parliament must give its consent – expected in Summer – and immediately after the Council will give its opinion.

IFOAM EU, as already did in previous meetings, asked on which basis the equivalencies between organic standards are being evaluated. A huge work has been done by FAO, the United Nations (UNCTAD) and IFOAM since 2003 on this area. The outcomes of this work are now materialised in the so-called Common Objectives and Requirements of Organic Standards (COROS) which are intended for use in international equivalence assessment of organic standards (<http://www.ifoam.bio/en/coros>).

COM said that from now on all the equivalency agreement will be negotiate as trade agreements. The Council and the Parliament are informed. E.g. Chile has been very constructive and even amended its organic standard. The criteria used are based on equivalency, so e.g. for substances used in plant protection, such substances have to be at least allowed in the EU horizontal legislation for pesticides.

IFOAM EU answered that the risk is to bully some Third Countries, obliging them to change their standards. Organic Standards from Third Countries can be very interesting on areas like animal welfare or water or deforestation or other issues that are not well addressed in the EU legislation. EU can also learn from them. Additionally, IFOAM EU asked what the legal basis is to limit the substances used in Third Countries to the one listed in the EU legislation. In many Third Countries are using natural substances compliant with the organic principles but not authorised in the EU because nobody ever asked for it or will ever ask for it as it relates to crops or production systems that are not found within the EU.

COM answered that there are not specific legal provisions for the plant protection substances used in Third Countries, it is their interpretation of the organic principles.

EOCC asked if the Commission is taking into account that Chile is negotiating agreements with other countries and there is a risk of by-passing. E.g. Chile and Argentina have a different scope in their

equivalency agreements with the EU. The same risk can come from the US and Mexico. We know that the origin condition is there, but it is very difficult to check the origin of every ingredient of every product.

7) Presentation of the study "Organic farming and the prospects for stimulating public goods under the CAP 2014-2020"

Stephen Meredith from **IFOAM EU** gave a presentation.

(available at https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en)

ECVC made an observation on the fair allocation of resources, one of the biggest problem is that there is not a maximum limit for farm. The allocation is unfair towards the small farmers. As for the expectation on the new CAP, the presentation given is very interesting because it is not only about support, but it focuses on new policies. The challenge is to incentivise the production of organic by guaranteeing a decent market price. In Spain these was a survey and the organic price situation is going in the direction of the conventional market. And there is nothing about this on the CAP. We need policies that make our farmers live of their work.

COPA: in 2015 in Italy the market for organic grew by 12%, but the import of raw material grew as well, e.g. + 51% of edible oils and + 67% of cereals. Trend for 2016 is even bigger.

It is too easy to import, in the CAP also rules for import should be included.

Additionally, support is given to organic farms, even if they do not harvest their products. There should be a calculation on how many farms stay organic after the financial support is over.

8) Presentation on the new official control regulation and its impact on the organic control system

Tom Nizet from the **EOCC** gave a presentation.

(available at https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en)

EOCC added that the definition for 'operator' in the current organic regulation is different from the one in the official control regulation. In any case the one on the official control regulation is preferable.

COM is thankful for the good presentation given and underlined that control is a priority. COM wants to collaborate with the sector on this.

9) Derogation on organic feed for pigs and poultry (article 43 of Reg. 889/2008)

Chris Atkinson from **IFOAM EU** shortly presented the issue on two derogations: the derogation for protein feed for pigs and poultry (Art. 43 of Reg. EC No 889/2008) and the derogation for pullets for egg production (Art. 42(b) of Reg. EC No 889/2008). IFOAM EU agrees on phasing out such exceptions, provided that both the regulatory framework and the horizontal policies support the development of the organic sector in these areas and within a timeframe which takes into consideration the actual situation in all the Member States.

For the phasing out the derogation of Art. 42(b) EU production rules for organic pullets are necessary and a review of the availability throughout the EU should be set 5 years later.

For the phasing out of the derogation of article 43 a first step could be to restrict the derogation to certain protein sources and to specific stages of life of the animals and the end of the derogation should follow a sound evaluation of availability in the EU.

Finally, IFOAM EU asked for guidance on the use of insect proteins.

ERPA confirmed that rules for pullets are needed along with a proper transitional period. To be considered that 20 years are needed to amortize an investment in a poultry farm. On the derogation on feed, the situation is not significantly developed since 2014. There is little availability of protein feed and the lack of it leads in particular young animals to stress.

FoodDrinkEurope supports ERPA opinion

COPA also is of the opinion of maintaining the protein feed derogation and there are three main reasons: 1) Animal welfare (quality of proteins is crucial for animal health, 2) Sustainability – using EU proteins instead of Third Countries' imported proteins, 3) because 5% is authorised for organic food, why not for organic feed?

Additionally, also recent import scandals are linked to this, the organic sector has to import from regions that are not secure. Also consumer protection is linked.

The Chair underlined that the group is asking for the prolongation and there are actual reasoned arguments behind these requests.

COM noted it down but said that there is a limit for prolongation of derogations and they were already prolonged in the past. COM thinks there are also economic reasons.

10) Need for a common approach on product downgrading

Tom Nizet from **EOCC** gave a presentation.

(available at https://ec.europa.eu/agriculture/civil-dialogue-groups/organic-farming_en)

IFOAM EU proposed to take inspiration from the USDA guidance on implementation. There are dynamic questions, we need dynamic answers.

COPA reported the problem with sunflower cakes, the egg producers were innocent but they lost products and reputation. We have to pay attention to what we buy from outside the EU.

EOCC said that when there are international cases, we need common decision. Between France and Belgium, Belgian feed processor did not inform their French farmers/clients! This is the cross-border issue to avoid! The Member States involved and the COM should meet together and discuss on a case-by-case approach, not all the products are the same.

A second problem is: how far we have to go on the chain towards innocent operators that have no responsibility?

IFOAM EU proposed that the EU and National Institutions should include more the expertise of the stakeholders. Tremendous knowledge is in the sector but it is difficult to share.

ERPA congratulated with the EOCC for the presentation and repeated that the annual inspection should stay.

11) AOB

SACAR reported about the issue of folpet/phtalimide. Phtalimide residues do not result from folpet but from the laboratory extraction method.

COM took note and will exchange with DG SANTE.

Next meeting of the CDG on Organic Farming is planned on 24 November 2017. **The Chair**, on behalf of the group and in view of the adoption of a new organic regulation, proposed to have another meeting earlier, in the second half of September.

Disclaimer

"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."