The Organic Guarantee System

The need and strategy for harmonisation and **equivalence**

Christina Westermayer and Bernward Geier (Eds.)

The views expressed in this volume are those of the authors and do not necessarily reflect the views of the FAO, IFOAM or UNCTAD secretariats.

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PREFACE

We are very pleased to present this book on international harmonisation and equivalence in organic agriculture, which is but one of the many outcomes from *The Conference on International Harmonisation and Equivalence in Organic Agriculture* organised in February 2002 by the International Federation of Organic Agriculture Movements (IFOAM), in cooperation with the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Conference on Trade and Development (UNCTAD). This publication includes many contributions from the original *Conference Reader* (edited by Willie Lockeretz and Gunnar Rundgren) as well as a considerable amount of new material from presentations made at the conference. It shows the wide spectrum of topics involved in the process of harmonising organic guarantee systems as well as different approaches to the subject. The result is a comprehensive publication for all stakeholders in the various fields connected with organic guarantee systems. As most articles are based on the Conference respectively the Conference Reader, it is important to note that they are updated as of February 2002.

The information in this book will be drawn upon by the IFOAM/FAO/UNCTAD Task Force on Harmonisation and Equivalence in Organic Agriculture, which will commence work in February 2003.

Major thanks go to the authors of the contributions for their cooperation in editing their articles; and to David Frost for being such a reliable proofreader. The continuous co-operation of our partners at FAO and UNCTAD is highly appreciated.

Moreover, we are grateful to the Swedish International Development Cooperation Agency (SIDA) for providing the financial support that made the publication of this important book possible.

Christina Westermayer and *Bernward Geier*
Barcelona / Tholey-Theley
February 2003

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INTRODUCTION

Gunnar Rundgren, IFOAM

Organic standards and certification systems were developed at a time when "organic" was a niche sector barely worth considering. Once it became significant however, an interest in regulating the sector emerged. The rationale for organic standards and regulations are often said to be to 'protect the consumers'. This is of course a noble intention, always politically correct. However, the history behind both private organic standards and government regulations is more about trust within the sector itself. Already 20 years ago, IFOAM developed a framework international standard and 10 years ago an accreditation system. Had IFOAM's efforts at that time been more rapidly adopted by all the organic stakeholders, things might have looked differently today. Many actors turned to the governments instead and asked them to sort out problems of lack of confidence and lack of mutual recognition, i.e. it was mainly the inability of the sector to self-regulate that triggered the intervention of governments in the sector. So governments went in, but at the same time the organic sector's self-regulation continued. Unfortunately, these two developments have not been synchronised.

Increasingly, certification requirements and regulations are pointed to as the major obstacle to a continuous and rapid development of the organic sector, especially for producers in developing countries. The organic market is confronted with hundreds of private sector and government standards, a rapidly increasing number of national regulations, two international standards for organic agriculture (Codex and IFOAM) and a number of accreditation systems. Lack of cooperation and "harmony" is a central problem. Lack of confidence and lack of mutual recognition are still major problems for the organic sector. Harmonisation for most actors seems to mean, *'you should harmonise with us'*. Equivalence often means, '*you should accept me – but I don't have to accept you'*.

IFOAM joined forces with FAO and UNCTAD, in a fruitful cooperation, to organise the conference *"International Harmonisation and Equivalence in Organic Agriculture",* in February 2002. The conference was very successful and was a real meeting place for actors in both the private and governmental sectors. The conference also provided the most comprehensive overview of the state of the art of organic regulations and all the outstanding issues confronting the sector. This book contains material from this conference in an edited form. The conference and the publication of this book are steps that IFOAM is taking to provide

solutions to the current challenges and hurdles in the field of harmonisation and equivalence. Another step is the establishment of a task force with governments and private sector to continue the dialogue. In this we also work in partnership with FAO and UNCTAD.

Let us not forget the objectives of any regulation, whether governmental or non-governmental. Those objectives must be brought forward and also at times be reviewed to see if they are actually still relevant. If the objectives rather than the procedures, or even worse the prestige, are at the centre of debate, then IFOAM's main objective is to promote the organic way of caring for the earth and our fellow beings. If we bear that in mind all the time, I am confident that we can find solutions.

THE NEED FOR PARTNERSHIP IN ESTABLISHING EQUIVALENCY

Nadia El-Hage Scialabba, FAO

Over the past few decades, the organic community has, through IFOAM, established for itself a participatory mechanism for setting global basic standards and monitoring the organic industry. More recently, IFOAM has established a structure for international accreditation of certification bodies, either private or public. It is only in the 1990s that Governments have started entering the organic arena by developing administrative measures, enabling laws or mandatory rules of production and/or certification. However, requirements for exporting countries differ from one importing country to another and accreditation of foreign certification bodies follows different systems of approval. The establishment of an international mechanism for ensuring equivalency between the different governmental standards remains a challenge.

In order to set in motion the essential process towards international equivalency of organic guarantee systems, a strengthened partnership between the organic agricultural community, which IFOAM represents, and inter-governmental institutions, is needed. The intention to launch a dialogue between governmental and non-governmental players to find solutions that will benefit producers and consumers of organic agriculture products is based on several reasons. It should assist in creating a fair environment conducive to small farmers' entry to organic export markets, including low-cost inspection and certification schemes. It is also intended to provide assistance to governments of developing countries in establishing appropriate organic regulations and trusted and effective organic food control systems. Moreover, an international multi-stakeholder forum where dynamic private sector activities are bridged with governmental regulations and policies for organic agriculture is needed.

The specific contribution of FAO in the framework of Organic Guarantee Systems relates to two main international sets of guidelines, which have been developed or are in the process of being revised or negotiated. The *FAO/WHO Codex Alimentarius Guidelines for the Production, Processing, Labelling and Marketing of Organically Produced Foods* and the *FAO/WHO Codex Alimentarius set of guidance documents on food import and export inspection and certification systems* (including also the Guidelines in preparation on the Judgement of Equivalence of Technical Regulations Associated with Food Inspection and Certification Systems) are the fruit of inter-governmental agreement as well as the active contribution of observers such as IFOAM. They provide "guidance" to

governments on minimum requirements for organic production and certification but this does not mean that nations or regional entities cannot have higher standards, suitable to their prevailing conditions. It is also to be stressed that Codex guidelines can be used as a technical reference by the World Trade Organization without, however, constituting mandatory compliance. The Codex Alimentarius may facilitate inter-governmental recognition of mutual organic standards and certification systems, including criteria for judgement of equivalence. It is also an important reason for establishing the dialogue mentioned above between governmental and non-governmental players.

Harmonisation is about consistency. Consistency, however, runs the risk of being rigid when organic agriculture, by its very nature, is context-specific. There will be a need to counter-balance consistency with flexibility, which implies identification of trade-offs acceptable to all concerned parties. The accommodation of the richness of diverse national needs will need to follow globally agreed criteria for variations against basic international standards.

PROMOTING PRODUCTION AND EXPORTS OF ORGANIC AGRICULTURE IN DEVELOPING COUNTRIES

René Vossenaar, UNCTAD

UNCTAD's mandate is to assist developing countries in integrating more fully into the world economy and in deriving benefits from international trade to support their development process. Agriculture is the economic mainstay of most developing countries and therefore agricultural production and trade are key elements of UNCTAD's work programme. Organic agriculture is an increasingly important part of our activities in the areas of commodities and trade and environment.

In July 2001, UNCTAD Member States convened an Expert Meeting on "*Ways to enhance the production and export capacities of developing countries of agriculture and food products, including niche products, such as environmentally preferable products (EPPs)*" (Geneva, 16-18 July 2001). This meeting paid considerable attention to organic agriculture. It brought together an excellent group of experts. Participants included policy-makers, non-governmental organisations, fair-trade organisations, academics, the business community (including certification bodies and producer organisations), intergovernmental organisations, such as FAO and the International Trade Centre (UNCTAD/WTO) and IFOAM. Experts made recommendations at the national level, to the international community and to UNCTAD. The UNCTAD Trade Commission largely endorsed these recommendations and called on UNCTAD, in cooperation with IFOAM, FAO and others, to play a key role in ensuring the implementation of the Commission's recommendations.

Organic agriculture has the potential to result in economic, social and developmental benefits for developing countries. This has also been emphasised by the FAO. In many developing countries significant shares of agricultural land are under traditional or "alternative" production methods, with little or no use of agro-chemicals. Such areas could be converted to certified agriculture, provided that markets are available and certification costs can be kept low. In many cases, yields under organic agriculture are higher than under traditional management practices. Thus, organic agriculture offers opportunities, affordable to small-scale farmers, to improve farm efficiency and profitability.

However, in order to take advantage of growing niche markets for organic agricultural products, particularly in developed countries, developing countries need to overcome a number of production and export constraints.

Many of these constraints are common to agricultural production and trade in general, but there are also specific constraints, for example in the areas of production, certification and infrastructure. In addition, exporters need to compete in markets with stringent quality requirements; uncertain price premiums and preferences for locally produced food. One constraint for developing countries with a large potential to increase certified organic agricultural production is the relatively small size of international markets.

To help address these constraints, the UNCTAD Expert Meeting and Trade Commission made two sets of recommendations at the national level. One focuses on issues such as increasing awareness of the potential economic, environmental and other benefits of organic agriculture; research and development; training; promoting consumption, including of organic products from developing countries, for example through consumer information; and the need for well-defined Government policies. The other focuses on developing and enforcing national and regional standards, based on international standards, certification infrastructure and partnerships.

A number of the recommendations to the international community – to support the efforts of developing countries to derive economic, social and environmental benefits for organic production and trade – are particularly relevant for the topic of "Harmonisation and Equivalence in Organic Agriculture". In particular, it was recommended:

- To promote an appropriate framework for harmonisation and mutual recognition of organic standards, including between Government and private sector standards.
- To explore ways to reduce certification costs, especially for smallholders, for example by helping to set up local certification systems, promoting smallholder certification, and reducing the costs of international accreditation for certifiers in developing countries.
- To ensure transparent and simple rules governing imports of organic products, including through the application of the concept of equivalence.

International harmonisation and equivalence of organic agricultural standards is very important for developing countries. UNCTAD will remain associated with IFOAM, FAO and others in assisting developing countries in promoting production and exports of organic products.

HISTORY OF ORGANIC CERTIFICATION AND REGULATION*

From ideology to standards

When organic pioneers such as Rudolf Steiner, Robert Rodale, Sir Albert Howard and Lady Eve Balfour first published their ideas on agriculture in the 1920s, 1930s and 1940s, it was more as an expression of ideology than an attempt to define what biodynamic or organic agriculture was. It is doubtful whether they foresaw the need for detailed legislation that today defines the minimum perch space and type of feed ingredients that allow a hen's eggs to be labelled as organic. Their interest lay in drawing attention to the biological basis of soil fertility and its links with animal and human health.

Arising from the work of such pioneers, disparate farmer groups in parts of Europe, the US and further afield developed their own ideas, which were based primarily on a commitment to a philosophy rather than a market opportunity. Acceptance as an organic producer in the 1940s and 1950s initially was based simply on becoming a member of these groups, and a declaration against the conventional sector was considered a sufficient act of commitment in itself. Informal inspections took place and loose codes of conduct were set out, but there was no pressure to define organic production systems strictly, because consumer interest was limited to the 'alternative' sector and links between producer and consumer often were close.

Voluntary standards and inspection systems began to develop independently in parts of Europe, the US, and Australia. Their growth and development was organic in themselves, primarily driven by the producers and concerned consumers.

The Demeter biodynamic label grew directly out of the teachings of Rudolf Steiner and was probably the first organic label to develop. Another early attempt to define organic production came from the Soil Association, the charity that Eve Balfour founded in 1946. The Association published its first standards in 1967, primarily as a means of protecting the consumer and the genuine organic farmer from bogus claims. Farmers were invited to register their farms with the Soil Association and sign a declaration that they would abide by these guidelines. On-site inspection to verify that farmers met the standards did not commence until the mid-1970s, and with this, the first organic seals were born. At the time the market for organic food was small, and neither trading standards officers nor legislators took an interest in what constituted an organic product.

Certification

During the 1970s, groups of farmers in different parts of the US began to embody the principles of organic farming in standards. Some of these groups developed their own certification systems to assure buyers that products labelled as organic were produced according to their standards. One of these groups, California Certified Organic Farmers, began certifying organic farmers in the 1970s. In the eastern US, small organisations grew up under the umbrella of the Northeast Organic Farmers Association (NOFA).

In the late 1970s and early 1980s, certification organisations were developed across the board. Many of the early certification programmes developed as producer/consumer groups, and some (Soil Association, California Certified Organic Farmers), retain this balance today. Most of these organisations were engaged in several other activities besides certification. The professional certification functions were normally not so well developed. In the mid-1980s several more specialised organisations dedicated to certification started, such as Skal (Netherlands), KRAV (Sweden), and Farm Verified Organic (US). Finally, with the advent of regulations in Europe and elsewhere, in the 1990s organic certification became of interest for commercially-driven certification companies.

As more certifying bodies developed, the private organic community recognised the need to co-ordinate the work of these standards organisations. The principles were defined by the various producer organisations through consultation with their members. Characteristically, this resulted in splits in the movement, which led to different standards being developed even within the same country, let alone across the world. Given the complexity of farming systems and the wide variation in agro-ecological and social conditions that influence them, this seems hardly surprising. It is perhaps more surprising that by the end of the 1990s there was broad global understanding and agreement regarding what constitutes organic food production and processing. This achievement can largely be credited to IFOAM, a non-governmental organisation founded in 1972 in response to the increasing global interest in organic agriculture.

IFOAM is quite properly seen as representing the organic movement worldwide. Its mission is to enable exchange of information and ideas and to foster co-operation across cultural, language and geographic barriers. IFOAM published its understanding of Organic Standards in 1980 and has continued to revise them biennially ever since. IFOAM's Basic Standards and the IFOAM Accreditation Programme are generally respected as the international guideline from which national standards and inspection systems may be built, and have been used extensively as a reference by standard-setters and legislators.

Emerging regulations

The states of Oregon and California in the US had already adopted organic legislation by the 1970s. But until well into the 1980s, most governments took little notice of the developing organic movement, generally considering it to be a quaint side-show to the real business of 'agriculture based on science'. As organic products began to appear in more mainstream retailers in Europe and the US in the 1980s and trade started to increase across borders, the authorities became more interested in the regulation of the market and more concerned about the potential for fraudulent claims and confusion in the consumer's mind of what constituted organic. In most cases the organic sector itself turned to governments for legislation.

In the US, the Organic Foods Production Act was passed in 1990. The development of the full National Organic Program proved to be very difficult and time-consuming, and at times there have been major differences between the organic movement and the US Department of Agriculture. Finally, in December 2000, the USDA released final regulations for organic foods, which will take effect in October 2002.

In Europe, Regulation 2092/91, covering the labelling of organic foods, was adapted in 1991. Although not the world's first such legislation (France, Spain, and Denmark already had legislation, as did some US states), it probably has had the most far-reaching consequences to date on the organic movement. This impact has been the combined result of its being the first regional, statutory definition and the fact that Europe represents one of the largest markets for organic produce. Businesses both inside and outside of Europe had to comply if they wanted to sell within or into the European market.

On the international level, governments have co-operated to develop the Codex Alimentarius guidelines for organic agriculture since 1992. Codex Alimentarius is a joint FAO/WHO commission for food standards. The Codex Alimentarius guidelines were finally adopted in 1999.

From ideology to legislation: Milestones in the history of organic farming

	Notable Events	*Stages of Development*
1924	Rudolf Steiner lectures on agriculture	
1924	Demeter biodynamic label founded	
1940	Sir Albert Howard publishes *An Agricultural Testament*	Development of ideology and principles
1942	J.I. Rodale publishes first issue of *Organic Farming and Gardening* magazine	
1943	Lady Eve Balfour publishes *The Living Soil*	
1946	Soil Association founded in UK	
1967	Soil Association publishes first organic standards	
1972	Founding of IFOAM	Development of standards
1974	Oregon State (US) adopts legislation	
1979	First California Organic Foods Act passed	Development of private certification
1980	IFOAM Basic Standards published	Emerging regulation
1985	France adopts legislation	Market takes off
1990	Organic Foods Production Act passed in US	
1991	EU Regulation 2092/91 adopted	Professionalisation of certification
1992	Establishment of the IFOAM Accreditation Programme	International trade development
1999	Codex Alimentarius guidelines adopted	
1999	EU organic livestock regulation published	
2000	Japanese organic regulation published	
2000	US national organic standards published	

[*] Adapted by Gunnar Rundgren from 'The role of the private sector in the US system of standards setting and conformity assessment', by Suzanne Vaupel (IFOAM, 2000), and 'International legislation and importation', by David Crucefix and Francis Blake, in *The Handbook of Organic Food Processing and Production* (Blackwell Science Ltd, Oxford, 2000).

STATUS OF NATIONAL ORGANIC REGULATIONS

Ken Commins and Ong Kung Wai

The last part of the 20th century saw considerable changes taking place in the organic industry. Rapid growth has been evident throughout the sector, but nowhere more than in the expansion of government regulation around the world. This has been fuelled by the large increase in international trade and the associated difficulties experienced in gaining access to regulated markets.

The Codex Alimentarius Commission Guidelines for the Production, Processing, Labelling and Marketing of Organically Produced Foods and the IFOAM Basic Standards provided the necessary blueprints to governments seeking to regulate the industry. EU Council Regulation 2092/91, the first fully implemented regulation of a major importing region, also played a major role in influencing the content of the regulations that followed. In many countries the need to gain access to the European market probably has been more influential in stimulating regulation than protecting consumers in the home market has been.

The industry has had difficulty in keeping track of the continuing regulatory developments. In some cases, draft regulations have been promulgated in countries with little organic production, while other countries with a more developed organic sector have refrained from starting the regulatory process.

The table at the end of this chapter attempts to report the 'state of play' by noting which countries already regulate or have begun regulating the organic sector. The table is a simplification of the actual situation. Moreover, it has been compiled at the end of 2001. Hence, certain contact details might have changed since then. For the purposes of this summary, countries are listed according to three categories:

- **Fully implemented** means that the authority has approved certification bodies or carries out certification itself under the law.
- **Final, not yet fully implemented** means that there is a law and that the detailed standards and rules have been finalised, but the authority has not yet approved certification bodies or carried out certification under the law.
- **Drafting regulations** means that the standards and rules and/or enabling law are still in draft stage. This includes countries in the process of promulgating a first draft.

In reality the situation is more complex. Countries may have a finalised enabling law without having developed the rules for implementation. In some cases the law has defined detailed standards while in others it sets out only guidelines, with the establishment of standards and the system for approval of certification bodies left to the administration. In other countries a national standard has been developed and finalised before the passage of any law. In Taiwan, Province of China,, for example, the government has implemented a regulatory system based on administrative measures rather than the law.

The scope of laws and regulations also varies. In one country (Australia) there is a fully implemented regulation, including a developed system for approval of certification bodies, but applying only to exports. A domestic regulation is in the draft stage. In a few countries the government has established a voluntary system. Compliance with the regulation lets operators use the government seal or fall within trade agreements established by the government. The regulation may also be limited to food products or include textiles. It may go into more specialised areas such as wild harvesting.

In summary, as of December 2001, the following results had been found.

Finalised regulations. 32 countries were identified as having finalised regulations. Most (23) of these are in Europe, including 15 EU member states, and 8 countries outside of the EU. Of the others, most are in the Asia Pacific Region. Finally, two implemented regulations in the Americas and one in Africa have been identified.

Finalised but not yet implemented regulations. Nine countries have regulations that are finalised in some way but not yet fully implemented, i.e. the regulatory authority has approved at least one certification body or has herself undertaken certification under the regulation. The regional breakdown is three in Europe, one in Asia, four in the Americas, and one in Africa.

Draft regulations. The drafting stages differ according to the regulatory process in the country concerned and in some cases these countries may still be years away from a final rule while others may be nearing the end of the process. According to the research done, 15 countries were in the process of drafting regulations, four in Europe, four in the Asian Pacific region, three in the Americas and Caribbean, two in Africa, and two in the Middle East.

Looking at the total of 56 countries with an organic regulation, the overall spread of countries with an organic regulation in one stage or another in geographical terms is the following: Europe – 30 countries, Asia/Pacific – 11 countries, Americas – 9 countries, Africa – 4 countries, Middle East – 2 countries.

Several issues arise from these findings.

The reasons for the rapid growth in the numbers of countries regulating or preparing to regulate organic production and processing have already been discussed at the beginning of this chapter.

Looking at the geographical spread, however, one sees that the stage of development does not match the levels of production. The information reveals countries with minimal organic production may have an implemented or finalised regulation. This must raise the question of whether regulating the sector at such an early stage will help or hinder the development of organic production.

Moreover, the large number of regulations makes bilateral equivalency negotiations a mammoth task for importing countries. Realistically it must lead to delays in the processing of applications for equivalency as more of these countries implement their new regulations.

Countries with Organic Regulations, and Contact Information

(please note: details are of December 2001, some changes particularly as to contact persons might have occurred since then)

***Countries with a fully implemented regulation** (32)*

E.U. (15)

Austria	Dr. A. Sattler, Bundeskanzleramt Abt, VI/B/1, Radetzkystrasse 2, A-1020 Wien
Belgium	Mr. Ch. Papeians, Ministère des Classes Moyennes et de l'Agriculture, DG4 - WTC T3, Boulevard Simon Bolivar 30, 6ème étage, B-1000 Brussels
Denmark	Mrs. Helle Emsholm, Danish Veterinary & Food Administration, Morkhoj Bygade 19, DK-2860 Soborg
Finland	Mr. Tero Tolonen, Ministry of Agriculture and Forestry, Quality Policy Unit, PO Box 30, FIN-00023 Government

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Countries with a fully implemented regulation *(continued)*

France	Ministère de l'Agriculture et de la Pêche, Direction Générale de l'Alimentation, Bureau des Labels et des Certifications, 251, rue de Vaugirard, F-75732 Paris
Germany	Mr. Uwe Slomke, Bundesministerium fur Ernährung, Landwirtschaft und Forsten, Rochustrasse 1, D-55123 Bonn Duisdorf
Greece	Mrs. Agathi Balbouzi, Direktorate of Processing Standardization and Quality, Control Office of Organic Products, 2 Acharnon Street, GR-10176 Athens
Ireland	Mr. Michael O'Donovan, Department of Agriculture and Food, Johnstown Castle Estate, Wexford
Italy	Mr. Ernando Montanari, DG per le Politiche Agroalimentari Nazionali, Ministero delle Risorse Agricole, Agroalimentari e Forestali, Via XX Settembre 20, I-Rome 00187
Luxembourg	Mrs. Monique Faber, Ministère de l'Agriculture, Administration des Services Techniques, 16, Route d'Esch BP 1904, L-1019 Luxembourg
Netherlands	Mr. Mario Nagtzaam, Ministry of Agriculture, Bezuidenhoutseweg 73, Postbus 20401, NL-2500 EK Den Haag
Portugal	Mrs. Ana Soerio, Ministério da Agricultura, do Desenvolvimento Rural e das Pescas, DG Desenvolvimento Rural, Av. Defensores de Chaves n. 6, P-1000 Lisbon
Spain	Mrs. Esperanza de Marcos Sanz, Ministerio de Agricultura, Pesca y Alimentación, DG Denominaciones de Calidad, Po Infanta Isabel 1, E-28071 Madrid
Sweden	Göte Frid, Organic Farming, Swedish Board of Agriculture, S-55182 Jönköping
United Kingdom	A. Eldridge, MAFF, Organic Farming Unit C, Room G46 Nobel House, 17 Smith Square, London SW 1P 3JR

Rest of Europe (8)

Czech Republic	Tomas Zidek, Ecology Section, Ministry of Agriculture of the Czech Republic, Tesnov 17, CZ-117 05 Prague 1. E-mail: Zidec@mze.cz

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Countries with a fully implemented regulation *(continued)*

Hungary	Mr. Eke István, Ministry of Agriculture and Rural Development, Department of Agri-environment and Plant Protection, H-1860 Budapest Pf. 1. Tel: +36 1 301 4000; Fax: +36 1 301 4644
Iceland	Mr. Brynjolfur Sandholt, Ministry of Agriculture, Solvholsgotu 7, IS-150 Reykjavik
Norway	Mrs. Hilde Dolva, Norwegian Agricultural Inspection Service, Seed Testing Station, N-1432 Aas
Slovak Republic	Ministry of Agriculture of the Slovak Republic, Dobrovièova 12, Bratislava 812 66. Tel: +421 2 592 66 11; Fax: +421 2 529 68 510; E-mail: majkut@mpsr.sanet.sk
Slovenia	Mrs. Marta Hrustel, Ministry of Agriculture, Forestry and Food, Dunajska 56-58, SI-1000 Ljubljana. E-mail:Marta.Hrustel@gov.si
Switzerland	Patrik Aebi, Swiss Federal Office of Agriculture, Berne 3003. Tel: +41 32 322 2592; Fax: +41 31 322 4497; E-mail: patrik.aebi@blw.admin.ch
Turkey	Dr. Hürriyet Tasbasli, APK Kurul Baskanligi, Tarim ve Köyisleri Bakanligi, Milli Müdafa Caddesi, No 20 Bakanliklar, Ankara. Tel and Fax: +90 312 419 22 38; E-mail: htasbasli@yahoo.com; hurriyet@tarim.gov.tr

Asia and Pacific Region (6)

Australia	Ian Lyall, Food Programs, AQIS, Edmund Barton Building Barton ACT, GPO Box 858, Canberra ACT 2601
India	Mr. S. Dave, APEDA, 3rd Floor NCUL Building, 3 Siri Institutional Area, August Kranti Marg (Opp. Asiad Village), New Delhi - 110 066. Tel: +91 011 653 4175; Fax: +91 11 653 4175; E-mail: gmffv@apeda.com
Japan	Kenji Watanabe, Deputy Director, International Standardization Office - Standards and Labelling Division, General Food Policy Bureau, Ministry of Agriculture, Forestry and Fisheries, 1-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8950. E-mail: kenji_watanabe@nm.maff.go.jp
South Korea	Kwang-Ha Lee, National Agricultural Products Quality Management Service. E-mail: kwangha@naqs.go.kr

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***Countries with a fully implemented regulation** (continued)*

Taiwan Province of China	Mr. Wen Der Lin, Council of Agriculture. E-mail: lml@mail.coa.gov.tw
Thailand	Mr. Vichien Petpisit, Director, Botany and Weed Science Division, Department of Agriculture, Chatuchak Phaholyotin, Bangkok 10900. Tel and Fax: +66 2 6713445; E-mail: vichpet@doa.go.th

The Americas & Caribbean (2)

Argentina	Ing. Juan C. Ramírez, Coordinación de Producciones Orgánicas, SENASA, Paseo Colón 367 - 5º piso, 1063 Buenos Aires
Costa Rica	Elizabeth Ramírez S., Ministerio de Agricultura y Ganadería, Dirección de Servicios Protección Fitosanitaria, Departamento Acreditación y Certificación en Agricultura Orgánica, Barreal, Heredia

Africa (1)

Tunisia	Ministère de l'Agriculture, 30, rue Alain Savary, 1002 - Tunis. Tel: +216 71 786 833; E-mail: ag@ministeres.tr

***Countries with a finalised regulation - not yet fully implemented** (9)*

Europe (3)

Croatia	Ms. Zeljka Gudelj Velaga, Ministry of Agriculture and Forestry, Ulica Grada Vukovara 78, 10000 Zagreb. Tel: +385 1 6106200; Fax: +385 1 6109200; E-mail: office@mps.hr
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Asia and Pacific Region (1)

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The Americas & Caribbean (4)

Brazil	Rogerio Dias, Ministério da Agricultura SDA. Tel: +55 61 218 2700; E–mail: rogeriodias@agricultura.gov.br

-continued-

Countries with a finalised regulation - not yet fully implemented (continued)

Chile	Gonzalo Narea, Servicio Agrícola y Ganadero. Tel: +56 2 672 1394; +56 2 698 6517; E-mail: gnarea@sag.minagri.gob.cl; Web: http: //www.sag.gob.cl
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Africa (1)

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Countries in the process of drafting regulations (15)

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-continued-

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THE EU REGULATION

Alberik Scharpé [*]

Effects of Regulation (EEC) No 2092/91 on the development of organic farming within and beyond the European Union

Since 1991, the EU has created the framework of Regulation (EEC) No 2092/91 to regulate the organic farming sector. It provides for:

- a set of minimum production and processing rules which must be satisfied in order for a product to be labelled "organic";
- a specific inspection regime which is obligatory for all operators involved in the placing of organic products on the market, whether they are from the EU or imported from third countries;
- a legal protection for the label "organic" in the different EU languages;
- a voluntary logo for identifying organic products.

Some direct effects of this Regulation include the fact that it has given the organic farming sector a precise definition. This has allowed the sector to identify itself to the consumer and to ensure that the organic products it brings to the market are *credible*, and are really organic products. Effectively, the lack of such clear definition and the lack of a well organised inspection system were the major reasons why, in the 1970s and 1980s, the sector was considered with considerable scepticism by the general public, and by conventional farming, the processing industry and even by several public organisations. In 2001, ten years after the adoption of the Regulation, the organic farming sector has found its place in the market, fully recognised by the public, the distribution chains, including the supermarket chains, the food industry and also by public organisations.

The Regulation has also given protection to those farmers involved in organic production. It has created a situation that permits *fair competition* with other producers within the EU, or in third countries, who are not using organic production methods or who are only using these methods to a certain extent. Only in such a climate of protection, are farmers stimulated to undertake those investments which are necessary to convert to organic farming. Effectively since 1992, the number of farms and land area under organic production have increased five-fold.

[*] This presentation represents the personal views from the author; it does not engage the Commission or its services.

The regulation has also had other, indirect effects. First the regulation has forced the sector *to structure itself*. The specific inspection system led to the creation of several inspection bodies, or authorities, and to the registration of all operators active in the sector. Also, interest groups were created at regional, national and at EU level in order to defend their interests.

Secondly, by defining the organic farming production method, the regulation also implied that this method was accorded *official recognition*. It placed the sector in a favourable situation for integration into the financial support system of the agro-environmental programme (Regulation (EEC) No 2078/92 and Regulation (EC) No 1257/1999) and for integration into official research programmes.

Thirdly, the Regulation has *catalysed similar developments* outside the European Union. In 1991, the Regulation was developed in Council with the participation of 12 Member States. It was adopted by Australia, Sweden and Finland at their accession in 1995, and afterwards by Norway, Iceland and Liechtenstein in the framework of the EEA agreement. The EU and Switzerland have recently agreed to a mutual recognition of their respective regulations and close co-operation in the further development of the regulation in future. Candidate countries in Eastern Europe are currently developing legislation and the structures to align themselves to the provisions of Regulation (EEC) No 2092/91, which will become the regulatory framework in their territory after accession.

Recently the two other large organic consumer markets, Japan and the USA, have taken similar regulatory initiatives. This is a new development in the sense that the EU is now also becoming an *exporter* to markets regulated by specific legislation on organic farming. At this stage Regulation (EEC) No 2092/91 does not provide any rules in this respect, and if the Commission takes action in this area, it will be on the basis of a mandate under Article 133 (ex Article 113) of the Treaty.

Another direct effect: Free circulation of organic products within the EU

Regulation (EEC) No 2092/91 has regulated production standards and inspection requirements throughout the EU.

This does not mean that everywhere in the EU every aspect of the regulation is handled in an identical way. Any rule leaves some space for interpretation when it comes to its implementation. Moreover, the Regulation has delegated certain tasks to individual Member States. And also, in particular for livestock, there are some temporary derogations and the possibility for more restrictive measures at Member State level.

But in one aspect the regulation provides no derogation: any product that has been produced in the EU or has been imported from a third country in accordance with the provisions of the Regulation, benefits from the free circulation clause in the regulation. It can circulate throughout the EU and be placed on the entire EU market with its 300 million consumers. No Member State can prevent any product included in the Regulation coming from another Member State, from circulating in its territory and being placed on the market.

If, in practice, there are barriers in the EU market, these are the result of private rules or private practices, imposed either by individual companies or by certain private interest groups. Double certification practices are costly for the operator to adopt. These, however, are not imposed by the Regulation, which provides for one single inspection system which, of course, has to cover the entire production chain.

The issue of "Organic guarantee systems"

The conference on "Organic Guarantee Systems" has very correctly identified this issue as important for the development of the sector.

As already said, in the last ten years, the market for organic products has gained a great deal of credibility among consumers who show more and more interest in these products. To keep the production and the market growing, in the interest of both the producers in the EU and the exporters and producers in third countries, it is essential that the market remains credible. This requires efforts from both the producers within the EU as well as from those outside the EU.

In this context it has to be emphasised that for the organic sector to lose the confidence of the consumer would be a failure which probably could not be restored again. The recent developments in the food area, in particular

the dioxin crisis and the BSE crisis in Europe, have shown how important the effect on the market can be when the sector loses credibility with the consumer. Such a credibility crisis would probably have even stronger effects in the organic food area, where consumers pay a higher price for food products which are also available as conventional products.

If the market "crashes" this is negative for all operators in this market, whether they are producing within the EU, or whether they export to the EU from outside.

Maintaining credibility is in the very first instance the responsibility of the operators in the sector itself. Inspection systems normally only detect fraudulent practices after they have taken place, and in many cases after the products have been marketed and consumed. On the contrary, the operators know from day to day the practices they apply, and they know, or they can ensure that they know, from whom they buy their input products and to whom they sell the products they produce, process, package and/or label. In case of doubt or suspicion, they can, in order to preserve their long-term interests, take the necessary steps to ensure that these cases are promptly investigated and followed up by the public authorities in charge of inspection.

Given the climate of suspicion in the 1980s, Regulation (EEC) No 2092/91 has put considerable emphasis on the organisation of a strong inspection system for the sector. It is this Regulation which introduced the system of obligatory inspection by approved and supervised inspection bodies. The inspection system has been gradually improved by requiring, since 1998, that the inspection bodies must satisfy standard EN45011 of ISO65.

In December 2001, the Commission adopted Regulation (EC) No 2490/2002, which updates the provisions in Annex III; it clarifies the inspection of subcontractors, improves the possibilities for exchange of information and the provisions concerning the traceability of products through the production and marketing chain.

In the work programme it is also provided that this year the Commission will prepare a proposal for Council to extend the inspection system to wholesalers. The Regulation does not only provide for an inspection system, it also provides explicitly that Member States must take all necessary general enforcement measures. Article 10a is very clear: Member States shall take whatever measures and actions necessary to prevent the fraudulent use of the labelling referring to organic farming.

"Organic guarantee systems" in relation to imports from third countries

The EU is a big importer of organic products from all over the world. Imports have been reported to the Commission from 90 third countries in all continents. All types of products are involved.

It is clear however, that all imported products must be produced under equivalent conditions, and that all imported consignments must clearly originate from production systems which are recognised as equivalent. This is in line with obligations under the TBT and with Codex Alimentarius Guidelines.

The equivalency regime under Article 11 of the Regulation answers the two following questions:

A. Have the products from the third country been produced under equivalent production rules and under equivalent inspection requirements?

Evaluation of equivalency and decision making on equivalency can be by two methods:

- by the Commission, on request from a third country government (Article 11(1)): Here decisions have been taken for 6 countries: Argentina, Australia, Czech Republic, Hungary, Israel, and Switzerland. Several other countries are under examination.
- by the Member States, on request from the importer (Article 11(6)): Here the decision is taken for particular imports from most countries over the world.*

B. Does a particular consignment of an imported organic product effectively originate from an equivalent production system?

Imported goods must be accompanied by a certificate delivered by the recognised inspection body in the third country. From 1 July 2002, this certificate will be the same throughout the whole EU and for all imports (Regulation (EC) No 1788/2001).

Products imported in accordance with these provisions can be placed on the market throughout the EU; the private rules and practices referred to above, under the section "free circulation", seem however also to lead to considerable difficulties for imported products.

The Commission has started work with a consultant in order to harmonise the documentation that Member States require for equivalency decisions under Article 11(6), and also to streamline the evaluation practices followed by Member States. In this way the operation of the procedure under Article 11(6) will become easier than it is at this moment.

Further developments

Hereunder follows an overview of some possible developments in the near future :

Extension of the areas effectively covered

Livestock feed

Processing of livestock products (Annex VI)

Further elimination of "grey areas"

Gradual expiry of temporary derogations in the livestock sector

Use of substrates in organic farming

Use of organic seed and reproductive material

Improvement of inspection within the EU

Inspection of wholesalers

Improvement of the functioning of the import regime

Inclusion of new Countries in the list of Article 11(1)

Harmonisation of the methodology followed by Member States for the implementation of Article 11(6)

Review of Article 11(6) provisions by end 2005.

European Action Plan for Organic Farming

On request from the Council, the Commission has now started work with regard to development of an action plan, which intends to address the development of organic farming in a wider sense than the regulatory framework.

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[*] **Imports under Article 11(6).** Europe (non E.U and non EEA): Bulgaria, Croatia, Cyprus, Poland, Republic of Moldavia, Romania, Russian Federation, Serbia, Slovakia, Turkey, Ukraine, Yugoslavia; America: Canada, United States of America; Bolivia, Brazil, Chile, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Mexico, Jamaica, Honduras, Nicaragua, Panama, Paraguay, Peru, Turks and Caicos, Uruguay; Africa: Belize, Burkina Faso, Ivory Coast, Cameroon, Chad, Egypt, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Madagascar, Malawi, Mali, Mauritius, Morocco, Namibia, Rwanda, South Africa, Sudan, Togo, Tunisia, Uganda, Zambia, Zimbabwe; Middle and Far East: Azerbaijan, Bangladesh, Myanmar, Comoros, Fiji, India, Indonesia, Iran, Japan, Kazakhstan, Nepal, New Zealand, Pakistan, Papua New Guinea, Philippines, Saudi Arabia, Seychelles, Sri Lanka, Syria, Thailand, Tonga, United Arab Emirates, Uzbekistan, Vietnam

CODEX GUIDELINES ON THE PRODUCTION, PROCESSING, LABELLING AND MARKETING OF ORGANICALLY PRODUCED FOODS

Selma H. Doyran

Background

International Codex standards are developed by consensus among member countries and reflect a common understanding of food quality and safety requirements applicable to individual commodities or to specific stages in the food chain. When the work on organically produced foods was initiated in the framework of Codex, a limited number of countries had developed national regulations on organic agriculture, and wide differences existed in these systems. The definition of a specific claim on the basis of a production system was a relatively new area for international standardisation. There are many recommendations in Codex concerning production, processing, and marketing, but their purpose is mainly to ensure food safety throughout the process or compliance with standards applying to the final product. After considerable discussion on the scope and nature of an advisory Codex text to define the 'organic' claim, it was agreed that clear criteria and detailed recommendations should be provided where necessary, while allowing adequate flexibility for governments to develop their own regulations.

The Codex Alimentarius Commission was established in 1962 as a Joint FAO/WHO intergovernmental body, with the objectives of protecting the consumer's health and facilitating international trade in food through the harmonisation of food standards on a worldwide basis. Codex standards, codes and related texts have received wider acknowledgement following the conclusion of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) and Technical Barriers to Trade (TBT), as Codex was specifically mentioned under SPS, while the reference to international standards in the framework of TBT applies to Codex..

The TBT Agreement covers all aspects of food standards not related to SPS measures (food safety), including measures intended to protect the consumer against deception and economic fraud, such as quality provisions and labelling. It provides that all technical regulations and standards must have a legitimate purpose and should not be used as barriers to trade, while placing emphasis on the use of international standards. In accordance with the provisions of the TBT Agreement, member countries should harmonise their national standards with international standards when they exist, except where the international standard would be ineffective or inappropriate in the national situation.

Codex standards and related texts also play an important role in providing guidance to member countries when they develop or update their national regulations, and they are used in the programmes implemented by FAO on food legislation and food control. Codex recommendations cover all aspects of food safety and quality, including labelling as well as inspection and certification systems. The Codex Committee on Food Labelling is responsible for all labelling matters, such as the definitions of certain claims commonly found in the market, in order to provide clear information to the consumer.

The Codex Guidelines

In view of the growing production and international trade in organic foods, the Committee decided to define the term 'organic' through the development of *Guidelines for the Production, Processing, Marketing and Labelling of Organically Produced Foods* in order to prevent misleading claims and to ensure fair trade practices, in accordance with the general objectives of Codex. The Guidelines are intended to facilitate the harmonisation of requirements for organic products at the international level. They can be used as a reference in trade by food control authorities or the industry, and they can provide guidance to governments in the development of national legislation.

In the development of the Guidelines, the Committee took into account the national regulations applied in several countries and the rules of production developed by the International Federation of Organic Agriculture Movements (IFOAM). The text integrates the essential requirements for organic production systems applied by governments or certifying bodies in different regions of the world. It is the result of extensive discussion and comments and reflects a broad consensus at the international level among governments and international organisations representing industry, trade, consumers, and other interested sectors. The Guidelines were initiated in 1993, finalised in 1998 in the Committee on Food Labelling, and adopted in 1999 by the 23rd Session of the Codex Alimentarius Commission. The sections on livestock and livestock products, beekeeping and bee products were adopted in 2001 by the 24th Session of the Commission.

The Guidelines need regular improvement and updating in order to take into account technical progress and experience with practical implementation in different regions of the world. This is a dynamic process depending on the proposals made by member countries and international organisations, as with other Codex texts. The list of permitted

substances has already been amended once (in 2001) and the Committee on Food Labelling has initiated the overall review of the Criteria and lists of substances used in organic production, which will be discussed in detail at its next session (May 2002).

Main Provisions

The aims of the Guidelines are:

- to protect consumers against deception and fraud in the market place and unsubstantiated product claims;
- to protect producers of organic produce against misrepresentation of other agricultural produce as being organic;
- to ensure that all stages of production, preparation, storage, transport and marketing are subject to inspection and comply with these guidelines;
- to harmonise provisions for the production, certification, identification, and labelling of organically grown produce;
- to provide international guidelines for organic food control systems in order to facilitate recognition of national systems as equivalent for the purposes of imports; and
- to maintain and enhance organic agricultural systems in each country so as to contribute to local and global preservation.

They include general sections describing the organic production concept and the scope of the text; description and definitions; labelling and claims (including labelling of products in transition/conversion to organic); rules of production and preparation, including criteria for the substances allowed in organic production; inspection and certification systems; import control; lists of substances authorised in an organic system; requirements for livestock and livestock products; and beekeeping and bee products.

Criteria and lists of substances

The example of the criteria and substances may illustrate the role of the Guidelines in facilitating harmonisation, as the products allowed in organic agriculture production and processing may differ widely from one country to another. The current provisions represent a first stage in harmonisation, with the understanding that they will be subject to regular updating in the light of the experience of member countries.

According to the Guidelines, the following criteria should be used to amend the current lists of permitted substances for use in organic production (Annex 2), and countries should take into account all applicable statutory and regulatory provisions in the process. Any new substances must meet the following general criteria:

- they are consistent with principles of organic production;
- use of the substance is necessary/essential for its intended use;
- use of the substance does not result in, or contribute to, harmful effects on the environment;
- they have the lowest negative impact on human or animal health and quality of life; and
- approved alternatives are not available in sufficient quantity and/or quality.

In addition, specific criteria are defined for each class of substances: fertilisers; plant protection products; and additives allowed for processing purposes. They should be essential for their intended use, may undergo only limited processing, and their impact on the environment should be limited. Some derogations are allowed in exceptional circumstances.

These criteria are recommended to governments on a trial basis in order to achieve experience with organic production principles and rules at the national level. They should be reviewed after four years (this is currently underway), and until such review is completed, member countries may implement these criteria or those they have developed at the national level.

The detailed lists of substances included in Annex 2 of the Guidelines are not exhaustive; they are intended to provide advice to governments on internationally agreed inputs. Countries should develop lists of substances that satisfy the requirements of the Guidelines, but the products selected may be different insofar as they comply with consistent criteria. Substances included in the lists developed by countries but not included in the Guidelines may be part of an equivalence judgement and decision between the exporter and the importer, in accordance with the Imports section. Similarly, countries may reduce the number of substances allowed when they establish national lists. The tables of permitted substances refer to the 'need recognised by the certification body or authority' for many products that may be used in an organic system. It is the responsibility of the country to decide whether a specific substance is recognised or not according to the type of production concerned, the characteristics of the environment, or other relevant factors.

The Committee on Food Labelling recognised that the current criteria did not give sufficient guidance on the use of food additives in processed products. As there were different views on the substances to be included, it was agreed to develop a limited and provisional list of food additives and processing aids, as a first stage in harmonisation. A note was therefore added in the Table to the effect that countries may develop their own list of substances for national purposes in conformity with the provisions of the Guidelines.

Livestock

The Guidelines define general principles emphasising the importance of livestock in an organic system; provisions for the source/origin of the animals; requirements for the conversion period, with different time frames according to the species concerned and relationship to the conversion of the land; feedstuffs and feeding practices; health care; livestock husbandry; housing and free range conditions; and record-keeping. The Guidelines also include provisions for beekeeping and bee products, and additives used in the processing of animal products.

Labelling and claims

The Guidelines, which were developed initially in relation to a specific claim, reflect the general Codex approach to labelling, according to the principles and provisions set out in the *General Standard for the Labelling of Prepackaged Foods* (CODEX STAN 1-1985, Rev. 1-1991). Communication and consumer information are an important aspect in the development of organic agriculture, and the expansion of the market is closely related to the positive perception of consumers. Products presented as organic should comply with all relevant provisions established at the national or international level, in order to avoid misleading claims and unfair trade practices For example, organic foods should not be presented as free from pesticide residues, as there are no requirements on the end product either at the international or national level. Communication should focus on the characteristics of the organic production system itself, to develop consumer information and facilitate an informed choice.

The labelling of products in conversion as ‘transition to organic’ is allowed after 12 months of production with organic methods, in accordance with additional criteria intended to prevent consumer confusion. The ‘organic’ claim is allowed for products containing only organic ingredients, with a tolerance of 5%. There was considerable discussion on the labelling of products with less than 95% organic ingredients or less than 95%

ingredients of agricultural origin, the calculation of the percentage, and the declaration of ingredients 'in conversion'. The differences in the regulations applied and the approaches taken by member countries did not allow the Committee on Food Labelling to establish detailed provisions for these products. General criteria were therefore defined as a basis for governments to establish specific labelling provisions, with the understanding that further harmonisation would be considered in the future.

The application of the Codex Guidelines

The Codex Guidelines provide a basis for governments wishing to develop their regulations if they have not yet established them, with the understanding that the Guidelines are of a general nature and that national requirements may need to be more detailed in view of the conditions prevailing in each country or the type of production concerned. They provide a framework for basic requirements, which may be further developed in specific areas, such as permitted substances, the conversion process, or the additives used in processing. Codex recommendations can also be used as a reference in international trade to facilitate import/export between countries as well as traders.

Codex standards and related texts represent an important element of FAO technical assistance or training programmes, when countries need to update their food legislation and harmonise it with international standards or to develop their food control systems. The objectives of these programmes are to ensure the safety and quality of food on the domestic market; to strengthen export capacity on the international market; to improve the efficiency of import control to protect consumers; and more generally to allow member countries to comply with the requirements of the WTO SPS and TBT Agreements. The approach is not different for organic products and for other aspects of food quality and safety, especially as related to export/import.

Countries need to establish a regulatory framework and an efficient inspection and certification system in order to ensure that the rules of organic production are applied uniformly and consistently at the national level and for export purposes. This should be done with the participation of all interested sectors, taking into account existing experience with organic production and trade. Updated national regulations and efficient inspection systems are essential to establish equivalence agreements between exporting and importing countries, and in general to facilitate market access.

The criteria applied to organic foods in national and international markets should not be considered in isolation from other aspects of food safety and quality, and the programmes intended to promote organic production and marketing should be developed accordingly. If organic products do not meet the other safety and quality requirements applicable at the national or international level, this will create difficulties in marketing and export and will affect the image of the organic label as a whole. Essential quality regulations for specific products should be followed where applicable (e.g., fruit and vegetables, cereals, milk products), bearing in mind that non-compliance with authenticity and quality criteria reduce export potential for organic as well as conventional products. For export purposes, plant products should comply with phytosanitary standards established at the national or international level, while livestock and livestock products should follow animal health requirements.

All foods should be produced and processed in accordance with good hygienic practice, as defined in the *International Recommended Code of Practice – General Principles of Food Hygiene (CAC-RCP 1-1969, Rev. 3 - 1997)*, which provides recommendations on the prevention of contamination at all stages of the food chain, including primary production. Several Codex codes of hygienic practice provide more detailed recommendations applicable to individual products or to specific stages in food production, processing, storage, and transport. In addition to microbiological contamination, special attention should be given to contamination by mycotoxins, especially in tropical countries. Because synthetic fungicides are not allowed in the organic system, it is essential to follow good agricultural practice and good manufacturing practice throughout the food chain, in particular to monitor the conditions of storage and transport of products more likely to be contaminated, such as dry fruits or cereals. The development of an organic system should therefore take into account all the other aspects of food safety and quality.

The limitations of pre- and post-harvest treatment or the limited number of additives allowed may create additional difficulties for producers to comply with food quality and safety requirements. In this perspective, capacity-building in developing countries should integrate the organic requirements into a wider system intended to ensure the safety and quality of the food supply, on the basis of international recommendations.

As more countries develop their research and practical experience in organic production and provide additional input to the review of the Guidelines, current provisions will be updated to reflect more widely the conditions prevailing in different regions of the world. This should facilitate international harmonisation and contribute further to the development of organic agriculture and trade in organic products.

THE REGULATORY SCENE IN AUSTRALIA

Ian Lyall

The Australian Quarantine and Inspection Service (AQIS) is a key agency within the Federal Department of Agriculture Fisheries and Forestry Australia. AQIS is primarily divided into export and quarantine streams with export programs consisting of meat, seafood, dairy, horticulture, grains and organic and biodynamic produce.

AQIS has accredited six certifying organisations, these include:

- Biodynamic Research Institute (Victoria)
- Biological Farmers Association (Queensland)
- National Association of Sustainable Agriculture Australia (South Australia)
- Organic Herb Growers of Australia (New South Wales)
- Organic Food Chain (Queensland)
- Tasmanian Organic-dynamic Producers (Tasmania)

The partnership between the Australian organic and biodynamic industry and the Federal government began in the late 1980s. This partnership has evolved coverage of six approved certifying organisations, representing 1500 certified operators Australia-wide.

The Australian organic and biodynamic industry first *drafted* a National Standard for Organic and Biodynamic Produce (National Standard) in 1993 to ensure that all procedures and practices within Australia conformed to specified values and rules. The current second edition of the National Standard (1998) provides the minimum requirements for production, processing, labelling, and importation, as well as identifying "allowed inputs".

Australia has recently *drafted* amendments to the current edition and has expanded into new areas such as water and landscape management, biodiversity, landless systems, aquaculture, and more specific labelling requirements. It is expected that version three of the National Standard will be implemented later this year following extensive consultation with stakeholders.

Whilst AQIS manages the Organic and Biodynamic Program, the day-to-day responsibilities for certification and inspection have been devolved to AQIS approved certifying organisations. However AQIS ensures through its audit process that all operational and administrative procedures of these organisations are compatible with the National Standard for Organic and Biodynamic Produce, the Export Control (Organic Produce Certification)

Orders and importing country requirements. AQIS audits each approved certifying organisation together with at least two certified operators (e.g. farmers, processors) annually.

AQIS is required by the Federal government to recover its operating costs and, to achieve this, AQIS must ensure that its own financial systems are transparent and accountable. For the 2001/2002 year the Australian organic/biodynamic industry is required to pay $99,000 for AQIS services.

The AQIS Market Maintenance Group is responsible for negotiating import requirements with "new" overseas markets for Australian organic and biodynamic produce.

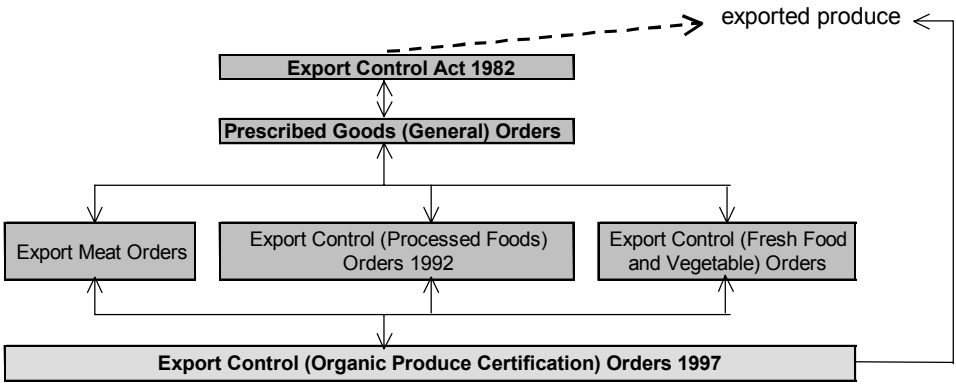
Recently five Australian organisations were approved by the Japanese Ministry of Agriculture, Forestry and Fisheries as "foreign certifying organisations" and currently AQIS is in "equivalence" negotiations with the USDA NOP.

The Organic Produce Export Committee (OPEC) is the formal communication mechanism between government and the Australian organic and biodynamic industry. OPEC meets annually to discuss operational policy, administration issues, as well as market access events.

In May 2001, OPEC agreed to form a National Standards sub committee responsible for recommending changes to the National Standard for OPEC deliberation.

Within Australia the regulation of *prescribed goods* falls under the Export Control Act, 1982 and subsidiary Orders. Export legislation is designed to ensure that goods exported from Australia satisfy importing country requirements such as truth in labelling and food safety.

To export "organic" or "biodynamic" produce, some Australian exporters/processors must also satisfy specific commodity legislation. For example, to export "organic" or "biodynamic" meat, the processor/exporter must comply with the National Standard, the Export Meat Orders and the Export Control (Organic Produce Certification) Orders; whilst "organic" or "biodynamic" fresh fruit or vegetables must comply with the National Standard, the Fresh Fruit and Vegetable Orders and the Export Control (Organic Produce Certification) Orders. The following figure gives an overview on the respective legislation.



However, some organic and biodynamic produce is not required to satisfy additional export legislative requirements, for example processed oil and beverages. These products have been deemed "non-prescribed" and therefore must only satisfy the National Standard for Organic and Biodynamic Produce and the Export Control (Organic Produce Certification) Orders.

Food exported to Australia must satisfy the requirements of the ANZFA Food Standards Code which in turn is administered by AQIS under the Import Clearance Program (Food and Agriculture Products) and Imported Food Act.

Country	Product	Year 2000	Year 2001
Italy	Wheat	2,197,860 kg	6,332,660 kg
Netherlands	Macadamia nuts	640 kg	900 kg
Germany	Wool	34,269 kg	33,593 kg
United Kingdom	Barley	348,445 kg	309,237 kg
Switzerland	Oats	555,950 kg	599,740 kg
France	Safflower seed	49,880 kg	750,480 kg

The above table is a "snap shot" of the quantities; product type and destination country of export consignments for 2000 and 2001 calendar years. Whilst most export consignments consist of traditional products (i.e. horticulture, grain) there is an emerging trend in product diversification. For example, organic health care products have recently become an essential part of some Australian export consignments to Asian countries.

It has been reported (1997) that the value of Australian organic produce is approximately $200 million per annum, this includes a $40 million export value.

Issues for both government and the Australian organic/biodynamic industry include:

- Domestic legislation specifically for organic and biodynamic produce is not currently available in Australia. However all organic/biodynamic procedures (at present) are required to meet the National Standard. Whilst consumer legislation matters like truth-in-labelling can be dealt with under the Trade Practices Act, and food safety is addressed under the requirements of the ANZFA Food Standard Code, the industry remains largely isolated. It must therefore develop systems/policy that ensures that the integrity of organic and biodynamic labelled produce is satisfied in the view of the consumer.

- Some organic or biodynamic produce is destined for overseas markets and requires a mandatory quarantine treatment. The challenge for both government and the industry is to initiate research and develop projects that target quarantine risk assessment requirements. It would be desirable that any new treatment processes so developed would then maintain the organic or biodynamic status of the exported goods.

- As GMO's are a contentious issue in relation to organic or biodynamic production the Australian organic and biodynamic industry will look at developing a set of procedures which ensure this unique agriculture/processing industry remains isolated from the likely affects of this new technology.

In summary, AQIS is responsible for the Organic and Biodynamic Program but approved certifying organisations provide the day-to-day inspection and certification services for Australian farmers and processors and the like. There are a number of issues confronting both government and the industry so the importance of a strong partnership will become critical as these matters arise.

COMPARISON OF EU REGULATION 2092/91, CODEX ALIMENTARIUS GUIDELINES FOR ORGANICALLY PRODUCED FOOD 1999/2001, AND IFOAM BASIC STANDARDS 2000

Otto Schmid

This paper summarises a comparison of EU Regulation 2092/91 (including Commission Regulation (EC) No 1804/99 on animal husbandry), Codex Alimentarius Guidelines for organically produced food 1999/2001, and IFOAM Basic Standards 2000. It was carried out on behalf of the International Organic Accreditation Services (IOAS). The focus was on the main areas. The intention was to give an indication of the areas where the EU Regulation and the Codex guidelines are stricter than IFOAM and where they are less strict.

Different role of the standards

To draw conclusions from the comparison, it is important to mention the different roles of the standards.

EU: This regulation consists of direct production standards with the aim of equalising the market in the EU. It has the status of a law.

Codex: This is a worldwide guideline for states and others to build up their standards or regulations, but not to certify products directly.

IFOAM: This is a worldwide set of standards for standards, as well as a guide in other areas, such as what requirements an accredited certifier must fulfil.

As a result of the different nature and purpose of the various standards, the content of Codex and IFOAM are more general. They outline the principles and criteria that have to be fulfilled and offer fewer details than those of the EU, which are related to the European context.

Conclusions from the comparison

Areas where the EU Regulation, and to some extent the Codex Guidelines, due to their nature as legal standards, are much more detailed:

Conversion period. EU and Codex: Conversion period is 2 to 3 years, not a minimum of 12 months for plant production (18 months for perennials), as in IFOAM.

Labelling. EU and Codex: On mixed products with less than 70% organic ingredients no reference to 'organic' is allowed, not even on the ingredients list, whereas this is allowed under very restrictive conditions in IFOAM.

Fertilisation. EU: Use of human faeces is not allowed at all, whereas IFOAM and Codex allow it under strong restrictions.

Special standards. EU has detailed standards for some product groups, such as mushrooms and special animal categories, which is not the case with IFOAM and Codex.

Conversion time for milk and eggs. EU and Codex have longer conversion times. IFOAM requires only 30 days, not 6 months for milk and 6 weeks for eggs.

Veterinary treatment. EU and Codex require an exclusion for organic labelling after two courses of treatments. However, all require a double withholding period.

Tethering of animals. EU will exclude tethering after a period of 10 years (except for small farms). In IFOAM and Codex, tethering of animals is allowed.

Poultry. EU: more detailed regarding housing than IFOAM and Codex.

Bees. EU is more specific with regard to the feed collection distance (3 km) than IFOAM and Codex.

Cleaning agents. EU has a list, IFOAM and Codex do not (because of the different nature of their standards).

Stocking rates. EU sets a limit (170 kg/ha). IFOAM and Codex have only the general principle of adapting stocking rates on the national level.

Detailed minimum areas for outdoor runs. The EU has set detailed minimum areas for outdoor runs. IFOAM and Codex call for sufficient size, because this might be different depending on the kinds of national breeds and the risk of environmental problems in humid areas.

Areas where IFOAM is more precise or detailed than EU (and to some extent Codex):

Criteria for new inputs. IFOAM has detailed criteria and a description of the evaluation procedure. Codex has precise criteria but no evaluation procedure. EU does not have precise criteria for new inputs.

Wild harvest. IFOAM: more precise with regard to sustainability and the possibility of inspection than Codex and EU.

Free range area for fattening of cattle and pigs for meat. IFOAM: during the fattening period animals should have access to an outdoor run. Exceptions with time limits can be made in individual cases. EU and Codex allow the final fattening phase to occur indoors.

Conventional feedstuffs. IFOAM: From 2002 on, 10% conventional feedstuffs are allowed for ruminants and 15% for non-ruminants. EU and Codex are less strict: also 10% for ruminants, but 20% for non-ruminants (for 5 years).

Feed self-sufficiency. IFOAM has a minimum fodder self-sufficiency for ruminants (50% from the farm or from the region), whereas EU and Codex have no such restriction.

Mutilations. EU and Codex are less strict than IFOAM.

Feed components. IFOAM and Codex have more detailed and clear criteria for feed ingredients, feed additives, and processing aids. EU has a detailed list of feeds.

Transport and slaughter. IFOAM and Codex have more detailed rules than EU.

IFOAM requires not only that the accredited organisations follow the content of the Basic Standards, but also in many areas that they elaborate and implement certain issues.

With regard to the requirements for inspection, a comparison has to be made between the IFOAM Accreditation Criteria and the inspection requirements of the EU Regulation.

When it comes to judgement about equivalence it must be indicated that this should be done between the EU Regulation and private or governmental national standards.

Summary of the main differences among EU Regulation 2092/91 (including 1804/99), IFOAM Basic Standards 2000, and Codex Alimentarius Guidelines 1999/2001 for organically produced food

Areas	Diff.[1]	Comment
Coverage		**Production categories included in EU Regulation, Codex, and IFOAM Basic Standards:** Plant production Processing of plant products [excluding wine making] **Standard categories included in IFOAM Basic Standards but not in the EU Regulation and Codex:** 2. Genetic engineering [in general] 3.3. Landscape 4.6. Contamination control 4.7. Soil and water conservation 4.8. [Collection of honey] in section on collection of non-cultivated material of plant origin and honey 6. Aquaculture production [Wine making] in section 7. Food processing and handling 7.2. Pest and disease control [concerning food processing] 7.5. Packaging 8. Processing of textiles 10. Social justice Appendix 5 Procedure on the Evaluation of Additives and Processing Aids for Organic Food Products **Articles of the EU Regulation not compared with IFOAM in this study:** Article 2 [on terms referring to organic production] Article 3 [on applying the Regulation to other Community provisions] Article 4 Definitions Article 6a [on use of seedlings as propagation material] Article 7 [on inclusion of new products to Annex II] Article 8 Inspection system Article 9 [on inspection authorities and private bodies] Article 10a General enforcement Article 11 Imports from third counties Article 12 Free movement within the Community Article 13 Administrative provisions and implementation Article 14 [on Committee on Organic Agriculture] Article 15 [on the annual notifications to the Commission] Article 16 [on the entry into force of the regulation] Annex VIC Ingredients of agricultural origin which have not been produced organically

		Articles of the EU Regulation not compared with IFOAM in this study Foreword Section 3. Labelling and claims 6. Inspection and certification systems 7. Imports 8. Ongoing Review of the Guidelines Annex 3: Minimum inspection requirements
Scope		EU Regulation 2092/91 and IFOAM Basic Standards are of a different nature. This is evident in the scope of both documents: • EU is a legal directive to be taken up and implemented by member states. • IFOAM is intended to provide guidance for standard-setting organisations and as a reference for accreditation programs. • Codex: is a worldwide guideline for states and others to build up their standards or regulations, but not to certify products directly. In contrast to EU, IFOAM's as well as the Codex approach is to set criteria for decision-making processes. EU standards set out to be prescriptive and rely on regular updates by the relevant EU committees to make modifications. As such, they do not provide much of a guide for flexible implementation. IFOAM includes areas such as aquaculture, agroforestry, and fibre production.
Definitions		The list of definitions is different.
Labelling	EU+ Codex+	IFOAM: 'Where less than 70% of the ingredients are of certified organic origin, the indication that an ingredient is organic may appear in the ingredients list. Such product may not be called "organic".' The EU Regulation and Codex do not allow indications of organic production when less than 70% of the ingredients are of certified organic origin. The reason for this is that EU indicates principles on a national level whilst IFOAM operates on an international level. IFOAM standards take this position to support countries in an early stage of developing organic farming.
	=	EU, Codex and IFOAM all do not allow irradiation
	=	EU, Codex and IFOAM all exclude GMOs and products derived from them.

	=	For the use of non-organic ingredients special provisions are foreseen: EU lists them in Annex VI Section C, whereas IFOAM and Codex require a periodic review and evaluation of the availability of organic materials by the certification bodies.
	EU+ Codex+	IFOAM, Codex and EU have minimum of 95% organic ingredients for mixed products labelled as 'organic', and 75% minimum for emphasis labelling of mixed products. However IFOAM also allows organic ingredients in products with less than 70% organic to be identified as organic on the ingredient list.
Criteria for Inclusion of New Inputs	EU- Codex-	IFOAM goes to quite a high level of detail, not on the process to make a decision, but on the criteria to use when evaluating substances. This is lacking in the EU regulation. Codex is less precise.
	=	In general, IFOAM, Codex and EU list the ingredients in order of their percentage by weight.
	=	All three require that the same ingredient shall not be derived from organic and non-organic sources.
Seeds and Propagation Material	=	IFOAM, Codex and the EU all ban the use of genetically engineered seed and propagation materials.
	(EU+)*	IFOAM, Codex and EU all adopt the principle of 'availability' to guide the use of material not produced organically. However the EU, in the case of seeds, will drop this allowance after 2003 and will make the use of organic seed mandatory.
Inspection Require-ments	=	EU and Codex are more specific. IFOAM has very detailed inspection requirements in the IFOAM Accreditation Criteria.
Plant Production: Conversion	EU+	EU and Codex require that the minimum conversion period must be between 2 and 3 years. IFOAM has a shorter conversion period: only 12 months (18 for perennial crops).
	=	However, where certain conditions are met, the EU can make the minimum time 12 months, so in this respect there is some equivalency among all three sets of standards.
	=	IFOAM: 'Plant products can be certified organic when the full standard requirements have been met for a minimum of twelve months before the start of the production cycle, and for perennials the first harvest after at least eighteen months of management according to the requirements. Pastures, meadows and their products can be certified after 12 months of organic management.'

Plant Production: Fertilisation	=	IFOAM requires certification programmes to set limits on the total amount of organic materials brought into the farm unit, taking into account local conditions and the specific nature of the crops.
	EU+	IFOAM and Codex allow the use of manures containing human faeces, but not on vegetation for human consumption, except when composted and where all sanitation requirements are met. The EU excludes their use.
Pest, Disease, and Weed Control	=	EU, IFOAM and Codex emphasise and endorse the use of the same types of weed control methods, such as physical and thermal methods.
	=	All three explicitly forbid the use of genetically engineered organisms or their products.
Wild Harvest Products	EU-	IFOAM: No special conversion periods for wild products.
	EU-	However, IFOAM provides detailed principles with respect to proximity to conventional agricultural production, the need for inspection, and for a manager who is accountable for the adherence to standards.
Mushrooms	EU+	IFOAM does not have special standards for mushrooms.
Livestock Production: General	=	EU provides more detail on management of nutrient flows in animal production. However, IFOAM and Codex state the strict principle of nutrient balance.
	EU+	EU also mentions requirements if certified organic animals are on non-organic land.
Livestock Production: Conversion	=	IFOAM prefers the entire farm to be converted, whilst EU and Codex refer to the 'whole area of the unit used for animal feed'.
	EU-	IFOAM and Codex certify pasture land after 12 months, whilst the EU can reduce this to 6 months.
	EU+	Different conversion times: EU and Codex: dairy cows 3-6 months; layer hens 6 weeks. IFOAM has a shorter period: dairy cows and layer hens 30 days.
	EU-	Animals for meat production: IFOAM at least one year; EU and Codex are less restrictive for small animals.
Origin of Animals / Breeds and Breeding	=	The EU is more detailed than IFOAM and Codex with regard to the choice of breeds, but it is more like a recommendation.
	=	Regarding max. age for animals brought in from conventional farms, the differences among EU, IFOAM and Codex are small, e.g. with respect to pigs (IFOAM up to 6 weeks; EU less than 25 kg after weaning) and with respect to calf production (EU as soon as weaned, IFOAM up to 4 weeks).

	=	EU, IFOAM and Codex are detailed with regard to brought-in animals, although some derogations are allowed. As a principle, brought-in animals shall come from organic farming if available.
Livestock Production: Feeding	EU-	Only IFOAM has a requirement that the prevailing part of the feed should come from the farm itself or be produced in co-operation with other organic farms in the region.
	=	EU, IFOAM and Codex require natural milk for young stock.
	EU+	EU, IFOAM and Codex allow in-conversion feeds to be considered organic for consumption on the same farm that produced them (i.e., not for sale). EU allows up to 60% of ration to be in-conversion, whilst IFOAM allows all feed to be classified as organic feed in the first year of conversion.
	EU- Codex-	IFOAM has a lower percentage of conventional feedstuffs allowed after 2002 for ruminants than Codex and EU. However the EU has set a deadline of 2005, after which no conventional feed will be allowed.
	=	EU, IFOAM and Codex exclude the same feed ingredients, such as synthetic amino acids.
	=	IFOAM and Codex prefer vitamins to be of natural origin both for ruminants and non-ruminants; EU allows vitamins only for non-ruminants (see Annex EU regulations about synthetic vitamins for ruminants/milking cows).
	=	EU, IFOAM and Codex have similar requirements for fodder preservation.
Livestock Production : Management Practices/ Transport	=	Artificial insemination is allowed, embryo transfer techniques are excluded in all three standards.
	EU- Codex-	In EU and Codex, mutilations are not allowed systemically; IFOAM does not allow them but provides the same list of exceptions as the EU allows. However, some mutilations are allowed in the EU that IFOAM does exclude, e.g., ringing of pigs.
	=	Animal welfare requirements equivalent, such as free movement
	EU+	The EU allows tethering in specific circumstances, with a deadline for its ban. IFOAM and Codex do not disallow tethering if there is sufficient grazing.
	EU- Codex-	Although both standards ban the use of tranquillisers and electric stimulation to coerce animals, IFOAM has much more detailed criteria for transportation, including time limits.

Livestock Production: Manure	EU+	EU is clearly more detailed in prescribing acceptable N levels. IFOAM and Codex are based on the principle of balanced nutrient management.
Livestock Production: Free Range, Grazing and Livestock Housing	(EU+)*	EU, IFOAM and Codex cover the same general requirements. However, EU is far more detailed about densities, hygiene requirements, housing needs, etc.
	(EU+)*	EU is more detailed with regard to stocking densities than IFOAM and Codex.
	(EU+)*	EU and to some extent Codex have detailed requirements for mammals.
	EU-	IFOAM is more strict, as livestock housing is not allowed for fattening.
	(EU+)*	IFOAM has no specific standards for each animal category, as these should be done on a national level. Here the EU is very detailed.
	EU-	EU allows chicken houses with no outdoor run until 2010. Outdoor runs are mandatory in IFOAM and Codex (whenever weather conditions permit).
List of Fertilisers and Soil Conditioners	=	Sewage sludge banned in the EU, IFOAM and Codex.
	EU+	IFOAM and Codex: Products for use in fertilisation and soil conditioning not included in Annex IIA of the EU Regulation: • Human excrements (if hygiene standards and other restrictions are met, e.g., not applied to crops intended for human consumption)
	EU-	Products for use in fertilisation and soil conditioning included in Annex IIA of the EU Regulation but not in the IFOAM Standards: • Stillage and stillage extract
	EU+ Codex+	Manure and slurry from factory farming not allowed in EU and Codex.
	=	EU more detailed with regard to heavy metals. IFOAM restrictions are made on a national level.
		Conclusion: EU is slightly more restrictive regarding human excrements and manure/slurry origin, which is less relevant in rural, less-intensified areas.

List of Products for Plant and Disease Control	EU+	**IFOAM and Codex: Products for plant pest and disease control not included in Annex IIB of EU Regulation:** • Ryania • Diatomaceous earth • Sodium bicarbonate • Potassium permanganate
	EU- Codex-	**Products included in Annex IIB of EU Regulation, but not in IFOAM Standards, Appendix 2:** • Hydrolysed proteins (also allowed in Codex) • metaldehyde (also allowed in Codex) • Pyrethroids (deltametrin or lambdacyhalotrin); not allowed in Codex • Mineral oils (other than light paraffin-based mineral oils); not allowed in Codex **Conclusion: There are only minor differences for a very few products. Under discussion is the restriction of the use of copper salts in the EU after 2003, which is already restricted in IFOAM to a maximum of 8 kg/ha/year (on a rolling average) from 2002 on.**
Food Processing: Additives	(EU-)*	**IFOAM and Codex additives of the IFOAM Basic Standards Appendix 4 not included in Annex VI of EU Regulation (Areas not regulated yet in the EU: additives for wine making, milk processing or meat processing):** • INS 220 Sulphur dioxide • INS 224 Potassium metabisulphite • INS 332 Sodium citrates • INS 331 Potassium citrate • INS 342 Ammonium phosphate • INS 508 Potassium chloride • INS 509 Calcium chloride • INS 511 Magnesium chloride • INS 517 Ammonium sulphate
	EU-	**Additives included in Annex VI of EU Regulation, but not in IFOAM Basic Standards 2000, Appendix 4:** • E 296 Malic acid, allowed in Codex • E 400 Alginic acid, allowed in Codex • E 401 Sodium alginate, allowed in Codex • E 402 Potassium alginate, allowed in Codex • E 416 Karaya gum, allowed in Codex • E 524 Sodium hydroxide, allowed in Codex

	=	**Conclusion: Positive lists of food additives of IFOAM and Codex are more specific than in the EU regulation, but in general the differences are minor. However, EU does not yet regulate products of animal origin. In contrast, Codex has a list for such products, but is very restrictive.**
	EU-	IFOAM allows ascorbic acid only if natural forms are not available.
Food Processing: Aids	EU+	**Processing aids of the IFOAM Basic Standards Appendix 4 and Codex not included in Annex VI of EU Regulation (Areas not regulated yet in the EU: additives for wine making, milk processing or meat processing):** • INS 181 Tannin — Wine • INS 220 Sulphur dioxide — Wine • INS 270 Lactic acid — Meat • INS 322 Lecithin CO/CB — Greasing agent • INS 334-7 Tartaric acid & salts — Wine • Asbestos-free filter materials — Generally allowed
	EU-	**Processing aids included in Annex VI of EU Regulation, but not in IFOAM Basic Standards 2000, Appendix 4:** • Calcium chloride • Calcium hydroxide • Hazelnut shells • Rice meal
	=	**Conclusion**: **IFOAM's positive list of processing aids is more specific than in the EU regulation, but in general the differences are minor.**

[1]EU+ means that the EU Regulation is stricter than IFOAM; EU- means that the EU Regulation is less strict.

(EU+)* means that by the nature of the EU Regulation 2092/91 this area is regulated in more detail, whereas Codex and IFOAM only describe the criteria for national standard-setting organisations and inspection/certification bodies that have to implement this on the national level.

COMPARISON OF THE EU AND US ORGANIC REGULATIONS

James Riddle and Lynn Coody

The following is a summary of a more detailed comparison of the regulatory texts of EU Regulation 2092/91 ('EU') with the National Organic Program Rule 7 CFR Part 205 ('US') (FR 65 80548). The comparison was commissioned by IFOAM and carried out under the auspices of the International Organic Accreditation Services (IOAS).

The comparison does not cover the requirements for private certification bodies. The EU requirements are found in Annex III and include the requirements of ISO/IEC Guide 65 by reference. The US requirements are contained within the Rule as published.

This comparison is based on the regulations that were current as of January 2002. Both the EU and US regulations are subject to change. While every effort has been made to be accurate, the detailed nature of the study and the time constraints imposed by publication for the IFOAM/FAO/UNCTAD Harmonisation Conference may have resulted in some errors. The IOAS welcomes any corrections.

Scope

Sectors and terms. Both EU and US regulate cultivated crop, wild crop, livestock, livestock feed, and handling (preparation and processing) operations. EU covers mushrooms and beekeeping; US presently does not. EU regulates the terms 'organic', 'biologic', and 'ecologic', including their translations, derivatives, and diminutives. US only regulates the term 'organic'.

Exemptions. US exempts producers and handlers with less than $5000/year total organic sales from certification requirements, although they must comply with the regulation. EU does not allow such an exemption.

Retail operations are not required to be certified by US or EU. US exempts from certification handlers that process products containing less than 70% organic ingredients. EU does not specifically exempt such handlers, but EU prohibits such operations from identifying 'organic' ingredients on the information panels of products.

US does not require certification of operations that handle only pre-packaged products. EU does not address certification exclusions for handlers of pre-packaged products.

Import facilities. EU contains extensive inspection requirements for facilities that import organic products. US does not contain specific requirements for import facilities.

Foreign certifiers. Both EU and US provide frameworks for the approval of foreign certification/inspection bodies and foreign government regulations. US allows for accreditation of foreign certifiers and contains general provisions for equivalency agreements between governments. EU sets extensive, detailed requirements for 'third countries', including requirements for inspection bodies and operators in third countries who seek to export organic products to the EU.

Crops

Conversion period. US requires 3 years with no prohibited materials prior to harvest, but does not require full implementation of organic practices during the entire conversion period. EU requires 2 years of organic management prior to sowing and allows inspection bodies, with approval of competent authorities, to reduce the period further. EU allows reduced conversion periods for pastures; US does not.

Both US and EU allow reduction of the conversion period following government-mandated treatment with a prohibited material. US prohibits the use of municipal sewage sludge and specifically requires that the natural resources of the operation be maintained or improved. EU does not prohibit sewage sludge or specifically require improvement or maintenance of the operation's natural resources.

Split operations. EU requires separate organic and non-organic production and storage locations. US requires management practices and physical barriers to prevent commingling and contamination, but does not require separate production and storage locations.

EU prohibits storage of prohibited materials on organic farms; US does not. EU prohibits growing organic and non-organic crops of the same variety on the same production unit; US does not.

EU requires an approved mandatory conversion plan for production of perennial crops, and notification of impending and completed harvest for operations with parallel production; US does not.

Research. Both EU and US allow certain practices for research purposes that are otherwise not allowed for organic production.

Buffer zones. US requires maintenance of buffer zones to prevent unintended application of prohibited materials. EU does not require buffer zones.

Records. Both US and EU contain general requirements for the type of records to be maintained by certified operations. US requires that records be retained for 5 years. EU does not address the length time records must be maintained. EU and US both require applicants and certified operators to provide access to their records.

Farm plans. US and EU both require applicants and operators to submit organic farm plans. In addition, US requires applicants to provide information on frequency of management practices and use of inputs; documentation of commercial unavailability; monitoring procedures; and methods used to prevent commingling and contamination. EU requires applicants to submit a full description of the production unit and to sign 'undertakings' denoting agreement to follow the regulation and abide by enforcement measures.

Soil management. US requires tillage and cultivation practices that maintain or improve the condition of the soil and minimise soil erosion. This is not specifically required by EU.

Both EU and US require soil-building crop rotations for annual crops. US requires fertility management practices that do not contribute to contamination of crops, soil, or water; EU does not.

Manure. EU sets limits on the quantity of manure applied annually; US does not. US sets restrictions on the time between application of raw manure and the harvest of crops for human consumption; this is not addressed by EU. EU sets requirements for the capacity of manure storage facilities; US does not.

EU requires consideration of the source of manure, allowing manure from organic production units and regulating the amount of manure from conventional sources. EU prohibits manure from 'extensive husbandry' or 'factory farms'. US does not address manure source.

Composting. US requires composting of manure (with three exceptions where application of raw manure is acceptable). US defines 'compost' and sets requirements for composition, time, temperature, and number of times that it must be turned. EU does not include regulations for composting, other than allowing the use of plant-based and other biological preparations. US allows micro-organisms and other biological amendments unless specifically prohibited.

Burning of residues. EU does not prohibit the burning of crop residues as a means of disposal; however, it is already prohibited for agriculture in general in most Member States. US does not allow this practice except for suppression of the spread of diseases or to stimulate seed germination.

Seeds and propagation materials. Both EU and US prohibit genetically modified organisms. Both also require use of organic propagation materials, with certain allowances for non-organic propagation materials. EU will require organic propagation materials after 31 December 2003, but US will continue to allow use of non-organic seeds when organic seeds are not commercially available.

US requires organic seeds for edible sprouts; EU does not.

Treated seeds are not allowed by US, since there are no synthetic seed treatments on the US National List. EU allows use of treated propagating materials if untreated materials are not available on the Community market.

EU will require use of organically produced seedlings after 31 December 2003. US already requires use of organic seedlings, but allows temporary variances for loss of seedlings caused by natural disasters. EU does not address temporary variances for natural disasters.

Both EU and US allow non-organically produced planting stock to be used to produce a perennial crop, provided that the crop is managed organically for at least one generation (EU) or one year (US) prior to first organic harvest.

US allows treatment of propagation materials with prohibited substances when mandated by phytosanitary regulations. EU does not contain such a provision.

Mulch. EU and US allow mulching with products of plant origin and with sawdust, wood chips, and composted bark that have not been chemically treated after felling. US does not address chemical treatment after felling. US allows use of plastic mulch, with certain restrictions. EU does not address the use of plastic mulch; therefore it is assumed to be prohibited.

Lumber. US prohibits use of lumber treated with arsenate or other prohibited materials; EU does not.

Wild crops. US and EU have similar conversion periods and sustainable harvest requirements for wild crops.

Residues. EU requires that samples be taken for residue analysis where use of unauthorised products is suspected. EU and US require operators to provide access for sample collection. US has specific requirements for chain of custody and use of accredited laboratories; EU does not.

US requires that residue test results be reported to government authorities and that the public have access to test results; EU does not address this. EU

does not establish maximum residue levels specific for organic products, whereas US does.

GMO contamination. Neither US nor EU has established a threshold for contamination by GMOs or GMO derivatives, but EU has language addressing the need to establish GMO thresholds in the future.

Livestock

General. Both EU and US require inspection and certification of the livestock production system. Both require that livestock have access to outdoors and that natural resources of the operation are protected.

Period of organic management. EU only requires 12 months of organic management for equines and bovines, 6 months for small ruminants, 4 months for pigs, 10 weeks for meat poultry, and 6 weeks for egg-laying poultry. US requires organic management from last third of gestation for all slaughter species; organic management from second day for all poultry; and one year of organic management for dairy, except for a one-time conversion allowance for new herds.

Sources of stock. EU allows non-organic sources of slaughter stock. US does not allow non-organic sources of slaughter stock, except for day-old poultry. EU allows up to 40% non-organic stock, under certain conditions. US does not set allowed levels of non-organic stock, since stock must be under continuous organic management from the last third of gestation. Both allow the use of non-organic male breeding stock.

Conversion period. EU allows reduced conversion periods when there is simultaneous conversion of livestock and land. US sets requirements for conversion of land separately from requirements for organic management of animals. The conversion period for land cannot be reduced, nor can the requirements for organic management of animals.

Breeds. Both EU and US require selection of breeds that are well-adapted to organic production methods.

Split operations. EU allows livestock to be moved from organic to non-organic production units. US prohibits this practice.

Livestock plans. EU and US both require organic livestock plans. However, US specifies that the organic livestock plan must include a description of monitoring practices and procedures and describe the management practices established to prevent commingling and contamination; EU does not. Otherwise, EU livestock plan requirements are more detailed and prescriptive than US. For instance, US does not

require that the plan contain an 'undertaking' (affidavit) or be countersigned by the inspector.

Identification and records. EU specifies 'permanent' identification of livestock. US requires identification, but is not so prescriptive. US requires livestock records to be maintained for not less than 5 years; EU does not. US livestock record-keeping requirements are not as detailed or prescriptive as those of EU.

Although US prohibits certain veterinary treatments that EU allows, both require that all treated livestock be identified and that treatments be recorded. Both EU and US require access to non-organic portions of applicant and certified operations, including access to records.

Feeds and pasture. US requires 100% organic feed. EU allows up to 60% 'in-conversion feed' and up to 25% conventional feed in a daily ration. Both EU and US set restrictions on allowed feed supplements.

EU sets very detailed requirements for feed rations. US does not set species-specific feed requirements, other than 100% organic feed. Both allow use of non-organic feed during emergencies, as approved by the certification body and/or competent authority. EU requires access to pasture for herbivores while US frames the requirement for access to pasture using the less inclusive term 'ruminant'.

Health and welfare. For livestock health, both US and EU require use of preventative practices and both establish lists of approved materials. US prohibits parasiticides for slaughter stock and sets specific restrictions for their use on dairy and breeder stock. EU does not prohibit parasiticides for slaughter stock or set other restrictions on their use.

US prohibits the use of antibiotics. EU allows the use of antibiotics, provided that certain restrictions are followed.

Both EU and US allow physical alterations provided that they are conducted to promote the animal's welfare and that pain and stress are minimised.

Stocking rates. EU contains detailed and prescriptive stocking rates in Annex VII and livestock housing specifications in Annex VIII. US does not specify outdoor stocking densities or indoor housing densities.

Bedding. US requires livestock bedding to be organic if it is consumed by the livestock; EU does not.

Tethering. US and EU allow temporary confinement under certain conditions, but tethering is not addressed by US. Tethering is allowed by EU.

Manure. US has less restrictive requirements than EU regarding manure storage, application rates, and management.

Reproduction. US does not address reproduction and does not directly prohibit embryo transfer, although this practice is not allowed because the use of the synthetic hormones that are necessary for embryo transfer is prohibited. EU prohibits embryo transfer and other forms of artificial or assisted reproduction other than artificial insemination. US does not specifically prohibit underfeeding livestock to encourage anaemia; EU does.

Slaughter age. EU sets minimum slaughter ages for various poultry species. US does not set minimum slaughter ages for any species.

Transport. EU contains livestock transport requirements and prohibits certain practices during transport, including the use of tranquillisers and electric prods; US does not. EU requires that livestock housing units be cleaned and disinfected between use. US does not require cleaning, but does specify the materials that may be used for that purpose.

Housing. EU prohibits slatted floors and housing of calves in individual boxes; US does not. US prohibits use of arsenate-treated lumber in contact with livestock; EU does not. EU contains prescriptive requirements for poultry housing. US does not contain requirements for poultry houses.

Handling

General. Both EU and US require inspection and certification of the food-handling (preparation or processing) system. US has a specific list of allowed processing methods; EU does not. Both EU and US prohibit the use of organic and non-organic forms of the same ingredient.

Non-organic ingredients. EU and US require approval of non-organic agricultural ingredients, non-agricultural ingredients, and processing aids. (See the analysis of approved materials for a comparison of specific items.) US prohibits use of agricultural ingredients grown using municipal sewage sludge; EU does not.

Non-organic ingredients. Both EU and US allow use of non-organic agricultural ingredients in processed foods when organic ingredients are not commercially available. However, EU maintains a list of ingredients (Annex VI.C.) that have been determined to not be commercially available in organic form. US does not maintain such a list. Instead, the burden of proving that an organic ingredient is not commercially available is placed on certified operators, to be verified by certifying agents.

Irradiation. EU and US both prohibit the use of ionising radiation and the use of ingredients that have been irradiated.

Handling plans. EU and US both require organic handling plans. In addition, US requires applicants to provide information on frequency of management practices and use of inputs; documentation of commercial unavailability; monitoring procedures; and methods used to prevent commingling and contamination. EU requires applicants to submit a full description of the production unit and to sign 'undertakings' denoting agreement to follow the regulation and abide by enforcement measures.

Records. US requires that records be maintained for 5 years; EU does not. However, EU contains language on the types of records to be maintained by processing operations. US only contains general language. Both require access to records.

Pest management. US contains extensive requirements for facility pest management; EU does not contain any comparable requirements. US sets requirements for measures to be taken following the application of non-approved pest control substances; EU does not.

Packaging. US prohibits the use of packaging that has come in contact with synthetic fungicides, fumigants, or other prohibited materials; EU does not. EU requires that organic and non-organic products be stored separately, and that organic products be properly labelled; US does not.

Product sampling. Both EU and US contain requirements for product sampling during inspection. However, EU requires that samples be taken where use of unauthorised products is suspected; US does not. US requires maintenance of chain of custody and use of accredited laboratories; EU does not. Both require granting access to the operation to collect samples.

Prohibited substances. US requires certified operators to notify certifiers immediately when prohibited substances are applied; EU does not.

US sets maximum tolerance levels for prohibited substances. EU does not establish maximum residue levels specific for organic products.

Labelling

Use of 'organic'. Both EU and US require compliance with the regulation in order to label products 'organic'. However, US specifies that the term 'organic' may not be used in a product name to modify a non-organic ingredient in the product. This is not addressed by EU.

US allows the word 'organic' to be used in the ingredient list of products containing less than 70% organic ingredients; EU does not.

US contains regulations for the labelling of '100% organic' products; EU does not.

Calculating percentage of organic ingredients. US provides specific instructions to calculate the percentage of organic ingredients. EU references Directive 79/112/EEC, but does not provide further information.

Both EU and US require at least 95% organic ingredients in 'organic' products. However, under US, at least 95% of the *total* ingredients must be organic; Under EU, at least 95% of the ingredients of *agricultural origin* must be organic. That is, non-agricultural ingredients are not included in the calculation under EU, whereas they are included under US. The EU method of calculation can result in products being labelled 'organic' when less than 95% of the total ingredients are organic.

Similarly, both EU and US require at least 70% organic ingredients in 'made with organic ingredients' products. However, under US, at least 70% of the *total* ingredients must be organic; under EU, at least 70% of the ingredients of *agricultural origin* must be organic. Non-agricultural ingredients are not included in the calculation under EU, whereas they are included under US. The EU method of calculation can result in products being labelled 'made with organic ingredients' when less than 70% of the total ingredients are organic.

US sets a limit of listing no more than three organic ingredients or food groups on the principle display panel. EU sets no such limit. EU requires that the organic percentage of the total agricultural ingredients be indicated on the label; US does not.

Additional claims. EU prohibits certain superior quality label claims. US does not prohibit label claims of superior qualities. Both EU and US allow voluntary use of a seal or logo that denotes compliance with the regulation.

Sewage sludge. US prohibits inclusion of non-organic ingredients grown using sewage sludge in products labelled 'made with organic ingredients'. EU does not prohibit this.

Feed. US sets requirements for the labelling of organic livestock feed. EU does not address this.

Non-retail containers. Both EU and US contain requirements for the labelling of non-retail containers, although US sets extensive requirements for more types of labels than does EU.

Transitional label. EU contains requirements for the labelling of 'in conversion' or 'transitional' products; US does not provide for such label.

Listing allowed and prohibited inputs

Criteria. EU has less specific and therefore less restrictive evaluation criteria for crop and livestock inputs than does US. EU has no additional evaluation criteria for processing inputs, whereas US does include additional criteria for evaluating processing materials for use in organic products.

Acceptable inputs. EU creates a closed, positive list of acceptable inputs; prohibited materials are not listed. For farm inputs, US lists 'allowed synthetics' and 'prohibited nonsynthetics', thus allowing use of nonsynthetic (i.e., natural) inputs that are not specifically prohibited. A determination of whether an input is 'nonsynthetic' or 'synthetic' is necessary in order to establish whether it may be used as a nonlisted input.

EU allows a broad range of livestock medications; US allows synthetic medications only if they are specifically listed.

Crop inputs

NOTE: Both EU and US have extensive listings of production inputs whose details are difficult to summarise. Although some highlights of the regulations are presented in the following sections of this summary, a complete understanding of the subject can be obtained only by reference to the full comparison.

Antibiotics. US allows the use of specific antibiotics to control plant disease; EU does not.

Sodium chloride. EU lists sodium chloride as an acceptable fertiliser. US generally prohibits minerals of high solubility. There are a few exceptions listed with restrictions, but sodium chloride is not among the exceptions.

Sodium nitrate. US allows the use of sodium nitrate for up to 20% of the crop's total nitrogen requirement. EU prohibits use of sodium nitrate.

Trace minerals. US restricts both the chemical form of the trace minerals and application methods, and requires documentation of soil deficiency by testing. EU allows the use of specific trace minerals if the need for the inputs is recognised by the inspection body or competent authority.

Inert ingredients. US restricts the types of inert ingredients in pesticides used in crop production; EU does not address inert ingredients.

Tobacco sprays. EU allows the use of tobacco sprays for insect control. US prohibits use of tobacco dust.

Pyrethroids. EU allows use of synthetic pyrethroids in insect traps. US prohibits all uses of synthetic pyrethroids in crop production.

Metaldehyde. EU allows use of metaldehyde in slug traps. US prohibits all synthetic mollusc controls.

Soap-based herbicides. US allows soap-based herbicides for farmstead maintenance and ornamental crops; EU does not.

Livestock inputs

Chlorhexidine. US allows chlorhexidine for surgical procedures and as a teat dip. This input is prohibited by the EU listings.

Cleaning and disinfection products. EU's generalised listing of cleaning and disinfection products, as well as some of its specifically listed products, allows many synthetic inputs that are prohibited by US.

Fish-based feeds. EU allows the use of fish, other marine animals, and their products and by-products as feeds. Fish and fish products are not considered by US to be from organic sources and on that basis are prohibited as animal feeds.

Inert ingredients. US restricts the types of inert ingredients in pesticides used in livestock production. EU does not address inert ingredients.

Parasiticides. US allows only one allopathic parasiticide, ivermectin, with certain restrictions. EU does not limit the types of parasiticides that may be used.

Vaccines. Both authorities allow use of vaccines; however US allows consideration of the use of vaccines made with or from GMOs if they meet all other evaluation criteria (no GMO vaccines are currently approved). EU does not include such an exemption, thus prohibiting GMO vaccines.

Pest control in livestock facilities. EU lists products that may be used for pest and disease control in livestock buildings and installations. US does not address pest control in livestock facilities.

Processing inputs

Summary of differences. The following processing inputs are allowed by EU but prohibited by US: activated carbon, agar, argon, carrageenan, casein, egg white albumen, ethanol solvent, gelatine, karaga gum, tragacanth gum, hazelnut shells, isinglass, malic acid, potassium alginate, rice meal, sodium tartrate, talc, and tartaric acid (l(+)-).

The following processing inputs are allowed by US but prohibited by EU: hydrogen peroxide, ozone, potassium acid tartrate, potassium citrate, potassium iodide (nonsynthetic), and sodium citrate.

Volatile solvents. US specifically prohibits synthetic volatile solvents. EU does not, but none are approved on the list of allowed processing inputs.

REGULATION PROLIFERATION
HOW ORGANIC CERTIFICATION BODIES ARE COPING*

Diane Bowen

Since 1990, a New World of regulation and trade has dawned upon organic certification bodies, and given rise to new competitors. The organic movement originally took shape through the efforts of grassroots certification organisations, which were founded on the principles of regional food production and local self-regulation. While these principles still apply, they do so within a broader, more diverse context that is increasingly dominated by international trade and government regulation. Some traditional certification bodies have held strictly to their original focus, choosing to occupy a small niche in the realm of organic enterprise. But many others have undertaken a journey of transformation, moving from their grassroots' havens into a new regulatory sphere. Some of the newer certification bodies based their programmes on a government regulatory model, but even these organisations have been challenged to adapt as the regulatory sphere expands worldwide.

How are certification bodies coping in this New World? Questions about their experience and perspectives were presented to executives of eight certification bodies that certify entities trading organic product internationally. Some of these certification bodies certify to EU standards, others to the IFOAM Basic Standards, and one to the privately held American Organic Standards. All hold one or more private or national accreditations, and all are US National Organic Program accreditation applicants. While not a scientifically designed survey, this question-and-answer exercise provides a glimpse of the situation and perspectives of a segment of the organic certification community.

In the following, a brief summary of the answers will be given in the paragraphs following the respective questions on different topics.

Current situation. *Have you been able to find means to meet the current regulations? Has trade of products you certify been disrupted? Is it disrupted now? What have you had to do?*

Certification bodies have managed to cobble together the basic arrangements to meet various regulations. But, according to one respondent, 'you need to constantly go back and check the stitching'. The situation is fragile. New regulations arise, and revision and inconsistent

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implementation of existing regulations also require constant vigilance and periodic action by certification bodies. While current trade arrangements may not be severely disrupted, there are opportunity costs for the certification bodies and their clients in terms of certification and trade expansion. It may not be cost effective to expand into areas where new regulatory requirements exist. Most certification bodies have resorted to holding multiple accreditations to meet the demands of various national regulations. Nearly every certification body surveyed has more than one accreditation, and one has six current and pending accreditations. Certification bodies have also developed strategic partnerships with other certification bodies to meet compliance requirements.

Attitude. *What are your feelings about the regulations? What words best describe your attitude?*

The term 'resigned' was used by many respondents. These certification bodies have accepted the regulatory environment as their new business landscape. However, most also indicated that they do not feel secure, and two expressed fear of the future. Two factors fuel the insecurity and fear. The first is fear of regulatory requirements that are unworkable in practical terms, and which may lead to a trade crisis. The prime example cited here was the forthcoming EU regulation 1788 requiring authorisation of original certificates at the point of entry into a member state. A second fear is that while it has been possible to meet a few regulations, the unbridled proliferation of non-harmonised regulations in dozens of countries will exceed the capacity for achieving accreditation and other compliance arrangements. In this case, certification and trade business could become gridlocked.

Standards. *What is the impact of the regulations on your organic certification standards?*

All certification bodies interviewed were founded by certifying to one particular standard. In the new regulatory setting, certification bodies have taken one of two approaches to standards. Some now offer a 'menu' of standards for which they offer certification. For example, those historically certifying to the EU regulation or an IFOAM accredited private standard may also offer a programme for certification to Japan Agricultural Standards (JAS), and may soon offer certification to the US rule. Clients may opt for certification to one, two, or all three of these standards. Other certification bodies continue to maintain one privately held standard. However, most in this category have had to tailor their standards to meet regulatory requirements that may be more detailed or restrictive than the private standard.

The net effect on client certification seems to be an overall raising of the bar for organic standards. Many clients will choose to meet more than one standard, and then they must comply with the most restrictive and detailed provision among the multiple standards. Or, if their certification body holds one private standard, they must meet the periodic revisions catalysed by new regulatory requirements.

Operations. *Describe how the regulations impacted your certification operations. What has this meant in terms of cost and quality?*

Certification bodies have caused more trees to be cut down. Quality manuals, document control centres, training manuals, and multitudes of operational forms have been prepared. Existing documents have undergone rounds of review and revision. While overall, the changes were deemed improvements by the certification bodies, other document preparation is considered irrelevant, trivial, and duplicative.

Financial impact fell into two basic categories, accreditation fees and staff time. Accreditation fees have exceeded US$ 30,000 annually in some cases. But the main financial impact is on staff time to revise and implement standards and procedures. Dealing with the regulations involves significant and costly management time to monitor and analyse regulations, network with other agencies for information, undertake management decisions, and administer compliance activities. Management time has been especially costly in cases such as the JAS regulation, which several certification bodies cited as difficult to understand and reconcile. Additional staff time goes into document preparation and control, and to staff, inspector, and client training. These costs are necessarily passed on the client.

Opportunities. *What is the upside? What opportunities have the regulations afforded you?*

Regulatory requirements have either demanded or strongly encouraged third party oversight of the certification programme. Most certification bodies agreed that accreditation requirements have had the net effect of improving the quality of their certification programmes with respect to competency, transparency and control of conflict of interest. On another note, competitive advantage and new business opportunities are afforded to those certification bodies who are able to deal effectively and 'ahead of the curve' with multiple regulations.

Challenges. *What are the key challenges and frustrations of the multiple regulations?*

Three themes emerged. First, some certification bodies are frustrated by the sometimes contradictory requirements of multiple accreditors. These contradictions arise either from differing interpretations by accreditors, or in some cases, differing regulatory frameworks. Certification bodies must devote costly staff time to resolving these contradictions. A second frustration is that certification bodies often find themselves engaged in trivial pursuits in responding to multiple regulators and accreditors. The systems imposed on them may require meaningless changes of words in documents that do not change the certification process. Third, regulation proliferation favours certification bodies with large resource bases, pressuring these organisations to grow or consolidate into ever larger and fewer entities.

Needs. *What are the overall needs for certification bodies in the context of multiple regulations?*

The key need is global harmonisation of requirements for international organic trade. All but one respondent volunteered this single response, and appeared to strongly support an investment of significant efforts to this end.

DIFFERENT DEGREES OF REGULATORY CO-OPERATION

Christer Arvius

Trade policy concepts

The growing liberalisation of international trade and the globalisation of business operations make the problem of technical obstacles to trade increasingly apparent. As business operators claim, differences in technical regulations, standards and conformity assessment procedures constitute one of the major obstacles to trade.

When considering measures to remedy trade implications stemming from technical regulations, standards and conformity assessment procedures, a distinction should be made between two concepts: the ***elimination of unnecessary technical barriers to trade (TBT)*** on the one hand, and the ***facilitation of market access*** on the other hand. As to the first concept, it defines an obstacle, which is contrary to the trade policy provisions in the WTO/TBT agreement,[*] and measures should therefore be taken by the member country, which has prepared, adopted or applied a technical regulation etc. with a view or with the effect of creating such an obstacle. The second concept is a wider one, which indicates measures of transnational co-operation that could be agreed between countries to overcome trade implications from technical regulations etc. even though these implications are not, formally, contrary to the provisions of the TBT agreement.

Different degrees of regulatory co-operation

In this chapter ***different forms of regulatory co-operation*** will be dealt with, representing different "degrees of ambition" in such co-operation. These types of co-operation could also be seen as ***various forms of mutual recognition arrangements***. For such co-operation there is not only one single possibility. Much more, mutual recognition can be seen as a vast concept with several dimensions. Hence, mutual recognition arrangements between parties (countries) could range from information exchange arrangements to complete harmonisation of all necessary aspects of technical regulations, standards and conformity assessment procedures.

A first level of co-operation is ***provision of information exchange*** to provide for transparency. These include, for example, information and consultation on new technical regulations and conformity assessment

[*] www.wto.org/english/tratop_e/tbt_e/tbt_e.htm

procedures (notification procedures) to be initiated by the country or regulators etc. in the country which prepares new technical regulations. Another form is to provide information on regulations, conformity assessment procedures or standards existing or under preparation in a country, initiated upon request inter alia by an economic operator in another country (Enquiry point functions). Such information exchange procedures are functioning in WTO (e.g. under the TBT and SPS Agreements), in EU (Directive 98/34) and in other international co-operation (e.g. within the international and European standards organisations).

The next level could be seen as ***observance (by regulators etc.) of principal trade policy provisions*** such as non-discrimination, proportionality, use of international standards and specification of technical regulations etc. in terms of performance rather than design or descriptive characteristics. These principle provisions are laid down in the WTO/TBT Agreement.

A third level of co-operation will include ***recognition of conformity assessment procedures*** (as such). This would mean for example recognition between parties of the use of common/harmonised testing procedures or test report forms etc. as well as recognition of accreditation systems (including procedures for assessment and criteria for acceptance of conformity assessment bodies). The latter is the case of the so-called "MLAs" established between accreditors within IAF (International Accreditation Forum) or EA (European co-operation for Accreditation).

A further level, which is directly related to products in international trade, is co-operation on ***recognition of results of conformity assessment procedures***. Such recognition, which could be mutual or unilateral, could include the recognition of test results (a first stage), of certificates of conformity or of inspections (a further stage) or of marks of conformity. Examples of such arrangements between governments are the bilateral MRAs (of certificates or inspections) concluded in a number of sectors between the EU on the one side and Australia, New Zealand, Canada, USA and Japan, respectively, on the other side. Other examples are the MRAs concluded between countries within APEC on a sectoral basis (concerning test results and in some cases also certificates).

A fifth level is the co-operation on ***recognition of (functional) equivalent technical regulations***. Such recognition will also include, in addition to the conformity assessment procedures, recognition of product specifications (e.g. essential regulatory requirements and standards linked to those requirements), marking specifications, marks etc. which are

deemed to be equivalent (wholly or partly). Example of this level of co-operation is the one being negotiated between the EU and the US in the field of marine equipment under the Transatlantic Economic Partnership (TEP) umbrella.

The ultimate level of co-operation is where countries establish ***fully harmonised technical regulations*** (including the applicable conformity assessment provisions etc.). The example here is the EU and the harmonisation directives concluded over the decades and implemented at the national level by all the EU Member states ("mutual recognition" is thereby established between the nationally implemented regulations to allow for free circulation of products within the EU's internal market).

When establishing mutual recognition agreements on the most advanced levels, certain mechanisms need to be observed by countries interested in such co-operation. If the facilitation of market access should be completed to allow for trade without implications in the context described above, technical harmonisation (i.e. harmonisation including product specifications and related applicable standards and conformity assessment procedures) needs to be established to the extent that the technical regulations of the co-operating countries provide the same results with regard to health, safety and other legitimate concerns (i.e. at least the regulatory objectives must be the same). Hence, countries, which would like to achieve complete market access for products between their respective markets, could opt for provisions of technical harmonisation to be implemented at sectoral level, which include common regulatory objectives, relevant international standards and conformity assessment procedures.

The "International Model for Technical Harmonisation" which has been developed within the UN/ECE provides a platform for use by countries that would like to develop their regulatory co-operation with a high level of ambition.

<u>The case of the UN/ECE model for technical harmonization</u>

The problem of technical obstacles to trade and related issues have always been the central focus of the UN/ECE Working Party on Technical Harmonization and Standardization Policies (Working Party 6), which for decades has been providing a unique forum for clarifying regulatory policies and promoting means to overcome trade barriers. In this Working Party, Governments, international, regional and national organisations and the private sector participate in the discussions on an equal footing.

Among recent initiatives launched by the Working Party is the establishment of the ad hoc team of specialists on STandardization And Regulatory Techniques ("START" Team) to explore how national technical regulations could make wider use of international standards and promote, where feasible, greater regulatory convergence. The "START" Team prepared a proposal for an "International Model for Technical Harmonization", which comprises a set of voluntary mechanisms and principles for good regulatory practices which might be used by countries wishing to align their regulatory regimes in specific sectors or product areas.

The basic principle of the "International Model" is that the technical content of regulations should be drafted in terms of broad objectives (addressing safety, environmental and other legitimate concerns of Governments) and refers to international standards for more detailed performance-based technical requirements. This will allow companies that are manufacturing regulated products according to relevant international standards to obtain conformity to technical regulations and thus contribute to establishing a level playing field for the benefit of all market players (industry, trade, consumers, etc.).

The text of the "International Model" was adopted at the Eleventh session of the Working Party (Geneva, 29-31 October 2001). It was noted that the "International Model" would contribute to the facilitation of market access by providing a voluntary framework for establishing sectoral agreements between interested countries. The START Team was called upon to assist with sectoral initiatives based on the "International Model" as forthcoming from interested parties and as requested.

More information on the activities of the UN/ECE Working Party on Technical Harmonization and Standardization Policies (WP. 6) and the "International Model" is available on the Internet[*].

[*] www.unece.org/trade/stdpol

A SHORT OVERVIEW ON IFOAM'S ORGANIC GUARANTEE SYSTEM

Gerald A. Herrmann

The history of the IFOAM Organic Guarantee System began in 1980. Milestones in the development of the IFOAM Guarantee System as it exists today have been in:

1980: The Technical Committee of IFOAM formulates the first Basic Standards for Organic Production and Processing.

1987: The Technical Committee starts evaluating the first certification bodies for adherence to the Basic Standards.

1990: The General Assembly decides to develop the Accreditation Programme which included three different bodies:
- the Standards Committee (SC) takes over the development of the Basic Standards;
- the Programme Evaluation Committee (PEC) takes over the evaluations;
- the Accreditation Committee (AC) is formed to prepare the Accreditation Programme and the structure for taking accreditation decisions.

1992: The General Assembly decides to launch the IFOAM Accreditation Programme to be implemented by the IFOAM Accreditation Programme Board (IAPB), unifying the PEC and the AC.

1997: IFOAM sets up a company to administer the Accreditation Programme with legal seat in the USA. A contract is signed with the International Organic Accreditation Services Ltd (IOAS).

In the following, the major components of the IFOAM Guarantee System will be briefly explained, which are

- the IFOAM Basic Standards
- the IFOAM Criteria for Accreditation
- the IFOAM Accreditation Programme
- the Multilateral Agreement among the IFOAM Accredited Certifiers
- the IFOAM Seal

The IFOAM Basic Standards. By drafting the Basic Standards, IFOAM has been a pioneer in international standard-setting for organic agriculture. Through intensive consultation with stakeholders, the IFOAM Standards Committee constantly develops these internationally recognised 'standards for standards'. The IFOAM Basic Standards and Criteria are not only registered by the ISO as International Standards, but also formed the basis for regulations like the EU Regulation on Organic Farming (2092/91) and the Codex Alimentarius Guidelines. Moreover, being standards for standards and thus allowing for variations, the IFOAM Basic Standards are the basis for hundreds of private sector standards.

The IFOAM Accreditation Criteria. The IFOAM Accreditation Criteria for Programmes Certifying Organic Agriculture and Processing constitute a sector specific adaptation of ISO 65 Norms. They are developed by experienced specialists and have been intensively consulted within the organic sector.

The IFOAM Accreditation Programme. The IFOAM Accreditation Programme has, among others, the following important characteristics:

- it is voluntary - not all IFOAM certifying members are accredited;
- it is open to everyone, including non-IFOAM members;
- it is self financed;
- it is based on the IFOAM Basic Standards and Accreditation Criteria;
- it is implemented by the IOAS.

The International Organic Accreditation Services operates independently, with its Head Office in the USA. Its internal structure consists of a Board, which is appointed by IFOAM, an Executive Board and an Executive Manager, the Accreditation Committee and the Accreditation Programme Managers. The IOAS is contracted by IFOAM to implement the IFOAM Accreditation Programme on the basis of the IFOAM Basic Standards for Organic Production and Processing and the IFOAM Criteria for Bodies Certifying Organic Production and Processing. At the beginning of 2003, the following were the 30 accredited or applicant certification bodies under the IFOAM Accreditation Programme:

- USA: OCIA, FVO/ICS, QAI, CCOF
- Europe: Soil Association, OF&G, Naturland, Bioland, Gäa, AIAB, BAC, CCPB, KRAV, Biokontroll Hungaria, Instituto Mediterraneo Di Certificazio, EkoAgros Lithuania, KEZ Czech Republic
- Asia: JONA, ACT Thailand, OFDC China

- Australia and New Zealand: NASAA, BioGro NZ, AgriQuality New Zealand, Biological Farmers of Australia
- South America: Bolicert Bolivia, IBD Brasil, Argencert Argentina, Organizacion Internacional Agropecuaria Argentina
- Other: Agrior Israel

These certifiers represent about 50-60% (estimation) of the global certification volume in the organic sector.

The Multilateral Agreement. One of the most important factors in simplifying the acceptance of organic certification is the mutual/bilateral recognition by Certification Bodies for which the Multilateral Agreement is the base:

- The Multi-Lateral Agreement (MLA) signed by Accredited Certification Bodies (ACBs) as a basic mechanism for acceptance of certification.
- The Bilateral Agreement signed by Accredited Certification Bodies (ACBs) to establish the easy and fast product acceptance among single ACBs.
- The Accredited Certification Bodies' Forum has been established for better communication, more harmonisation and common development.

The different components and the benefit of the IFOAM Organic Guarantee System will be discussed in more detail in the following chapters.

IFOAM ACCREDITATION AND THE INTERNATIONAL ORGANIC ACCREDITATION SERVICE

Ken Commins

Development of the IFOAM Accreditation Programme

In 1992, IFOAM established the IFOAM Accreditation Programme to accredit certification bodies active in certifying organic agriculture throughout the world. Since 1997, this programme has been operated by the International Organic Accreditation Service (IOAS), a non-profit organisation incorporated in the US. The IOAS operates the IFOAM Accreditation Programme under license from IFOAM.

At the end of 2001, 29 certification bodies were in the accreditation system, of which 17 were accredited and 12 were undergoing evaluation. The accredited certifiers are active in 75 countries, and it is estimated that their certification accounts for the majority of products traded internationally.

Structure of the IOAS

The IOAS Board of Directors is appointed by the IFOAM World Board of Directors based on nominations from IFOAM members. The Board membership reflects a balance of interests and geographic spread. The IOAS and its Board of Directors operate independently from IFOAM.

An Accreditation Committee is responsible for making accreditation decisions and for monitoring the continued compliance of accredited certification bodies. Members are appointed by the IOAS Board on the basis of experience; the majority of the members must have extensive experience in organic certification or inspection. The Accreditation Committee is governed by its terms of reference and is answerable to the IOAS Board. As with the Board, the Accreditation Committee reflects a balance of interests.

The IOAS currently has 6 full-time staff members. The head office is in North Dakota, with branch offices in the United Kingdom, Spain, and Australia.

Accreditation procedures

Any certification body involved in the certification of organic production, whether private or state-run, can apply for IFOAM accreditation. Membership of IFOAM is not a requirement. The process normally takes 12 to 18 months.

Detailed policies and procedures are set down in the IOAS Quality Manual and Policy Manual, which have been independently assessed as meeting the requirements of ISO/IEC Guide 61, 'General requirements for assessment and accreditation of certification bodies'.

Following application, the certification body's documented quality system and the production standards used in the certification are screened in detail against the IFOAM Basic Standards and IFOAM Criteria for Certification Bodies. During this period, the application is announced in the 'IFOAM – In Action' newsletter, with comments invited on the applicant.

After the screening report is completed, a non-compliance report is prepared indicating all non-conformities and deficiencies that have been identified. The certification body is required to implement appropriate corrective actions before the evaluation visit.

The certification body's office is then visited, where staff members are interviewed and both administrative and operator files are reviewed. The thorough prior examination of the documents during the screening process enables the IOAS auditor to concentrate on the actual operation of the certification body, rather than being diverted into reviewing policies and procedures.

A number of operators' premises also are visited. When the certification body operates in more than one country, operators in a selection of these countries are visited. The IOAS system for operator visits differs from that of most accreditation bodies. In addition to witnessing inspections undertaken by the certification body, the IOAS also conducts several review audits. In these visits the IOAS auditor visits a number of farms and processing units with the previous inspection reports in hand to check their accuracy.

Any additional non-conformities identified during the visit must be rectified by the certification body before an accreditation contract is offered. The scope of accreditation is confined to certification categories covered by IFOAM standards or IFOAM criteria: crop production; livestock; processing and handling; wild product harvest; retailing; input manufacturing; and certification transference procedures. The accreditation does not include other certification categories, such as textiles and

aquaculture, where IFOAM standards do not exist or are only in draft. The accreditation also does not extend to other certification programmes operated by the certification body involving standards that cannot comply with the IFOAM Basic Standards, such as a national regulation.

Following accreditation, monitoring includes review of an annual update report, followed by an annual surveillance visit to the certification body. The visit focuses on changes that have taken place and review of actions taken to resolve any outstanding deficiencies. A full re-evaluation including document review takes place every fourth year.

Advantages of IFOAM accreditation

The international nature of the IFOAM accreditation programme brings with it several advantages:

- The question of how to trust certification in a foreign country is answered. The IFOAM-accredited certification bodies all meet the same requirements and are evaluated and judged by the same body, regardless of their location. In national systems, in contrast, the question of how well to trust foreign certification often is just replaced by the question of how well to trust the foreign accreditation.
- The IOAS is able to draw on personnel from around the world, thus ensuring the highest level of expertise.
- As an international accreditation body, the IOAS has no territory to protect other than the organic territory.

The IFOAM Seal

The IFOAM Seal was launched by IFOAM in 1999, and is a sign of the accreditation status of certification bodies active in organic agriculture. The IFOAM Seal is designed to be used as part of the logo of accredited certification bodies and may not be used separately. The certification body may also use the IFOAM Seal on letterheads and its own promotional material. The Seal also may be used on product labels and related promotional material by all operators certified by IFOAM-accredited certification bodies.

The IFOAM Seal is administered by the IOAS, under contract from IFOAM. It may be used by all operators that are certified under the scope of the accreditation. Categories not currently included, such as aquaculture and forestry products, may not carry the IFOAM Seal. Similarly, if a certification body provides certification to other standards, operators certified by that body may not use the IFOAM Seal unless they also are

certified under the IFOAM-accredited programme. The IFOAM Seal remains the property of IFOAM.

The IFOAM Accreditation Programme is a service to producers, certifiers, authorities, traders, and consumers. Through its evaluations and monitoring it helps provide transparency and consistency in implementation of the verification systems that declare a product to be organic.

Other activities of the IOAS

Besides operating the IFOAM Accreditation Programme, the IOAS does other work in co-operation with regulatory authorities. The IOAS is a service company, and one of its stated aims is 'to make its services available to outside interested parties including government agencies involved in the establishment of state and supranational regulations'. For some years, reports have been compiled on IFOAM-accredited certification bodies' compliance with the requirements of EU Regulation 2092/91, including the requirements of ISO/IEC Guide 65. These reports are used by authorities to determine whether to authorise imports. Similar reports will be compiled if required by authorities of other countries.

The IOAS has recently evaluated the Danish system at the request of the Danish government. Under a commission from Canadian authorities it currently is doing a line-by-line comparison of the Canadian standards against the European Union, American, Japanese, and Codex requirements.

IFOAM also has commissioned the IOAS to compare the IFOAM requirements against various regulations. The IOAS is currently engaged by IFOAM to undertake a complete review of regulations worldwide. (A summary of its EU-US comparison is included in this reader.) It also has been commissioned to publish a guide to compiling a certification quality manual.

At the time of writing, the IOAS is considering launching a programme to carry out ISO Guide 65 accreditation. Although such accreditation would require compliance with ISO Guide 65, the IFOAM criteria would be used as a guidance document.

IFOAM NORMATIVE DOCUMENTS

Ken Commins

The IFOAM guarantee system, implemented by means of the IFOAM Accreditation Programme, requires compliance with two normative documents:

- The IFOAM Basic Standards for Organic Production and Processing (current version September 2002)
- The IFOAM Criteria for Programmes Certifying Organic Agriculture and Processing (current version 2002)

These documents are registered with the International Organization for Standardization (ISO) as international standards in the field of organic agriculture.

In evaluating a certification body for IFOAM Accreditation, the International Organic Accreditation Service evaluates that body's standards against the IFOAM Basic Standards, and the certifiers' performance against the IFOAM Accreditation Criteria.

The IFOAM Basic Standards (IBS)

The IFOAM Basic Standards for Organic Agriculture and Food Processing, first published in 1980 and subsequently subjected to continuous review, have been adopted as the basis for national, regional, and international organic standards throughout the world.

The IFOAM Basic Standards are considered to be a standard for standards, and are not designed to be used for certification on their own. As an international standard in a field that by its nature is geographically sensitive, they can only provide a framework for certification bodies and standard-setting organisations worldwide to develop their own certification standards. These should take into account local conditions and are likely to be more detailed than the IBS. In the accreditation process the certification body's standards are required to meet or exceed the provisions of the IBS.

The authority for the IBS is the IFOAM General Assembly, consisting of all member organisations of IFOAM, which decides on proposed amendments biennially. During the period between General Assemblies, the IFOAM Standards Committee, consisting of appointed experts from around the world, prepares revisions that are circulated widely for comment.

The IBS include an initial section that lists the principle aims of organic production and processing. These principles not only form the basis of the IBS but also have been the guiding principles for national regulations and for international norms such as the Codex Alimentarius Guidelines for organically produced foods

Each section of the IBS is presented as General Principles, Recommendations, and Standards. The General Principles are the goals that organic production and processing work towards. The Recommendations provide standards that IFOAM promotes but does not require. The Standards are the minimum requirements that must be fully incorporated into certification standards.

Standards in new areas may be classified as draft standards to enable certification bodies and standard-setting organisations to conduct trials before final adoption. Certification bodies are not obliged to follow draft standards.

The scope of most of the current regulations on organic production has been restricted to food products for human or animal consumption, but the IBS are not restricted to foods. Production of non-food items such as flowers and fibres are subject to the general standards. Minimal social justice standards also are included. The IBS covers crop production, animal husbandry, aquaculture production (draft), food processing and handling, collection of non-cultivated food products, processing of textiles (draft), forest management (draft), labelling, and social justice.

Appendices list inputs permitted in production and in processing. IFOAM has avoided generating extensive lists of permitted input materials. Instead, the standards elaborate detailed criteria for evaluating the suitability of inputs in both production and processing. Throughout the IBS the stress is on good management to avoid the need for inputs.

In September 2000, in Basel, Switzerland, the IFOAM General Assembly adopted a motion to allow variations within IFOAM standards to accommodate diverse regional needs. This will permit national standards to be developed and go through the process of becoming an ‘approved IFOAM standard’. Such standards will be for direct use for certification (not a standard for standards). In approving such a standard, any variations from the IBS will be evaluated against criteria for variations that are currently being developed.

The IFOAM Criteria for Certification Programmes

In 1990 IFOAM began developing criteria for organic certification bodies as part of the development of an accreditation system. The criteria against which the operations of certification bodies are assessed are approved by the IFOAM World Board of Directors, which is mandated to do so by the General Assembly. The responsibility for the revision is delegated by the World Board to a task force or committee made up of diverse stakeholders. The process is consultative and includes two calls for comments from a wide range of stakeholders and authorities, including the applicant and accredited certification bodies. Any amendments are communicated to the certification bodies in the accreditation system, allowing a set period for changes to become effective. The criteria are currently undergoing their forth revision.

The criteria are developed directly from ISO/IEC Guide 65 'General requirements for bodies operating product certification systems'. However, IFOAM identified a need for further elaboration of the ISO document. This was partly because certification of organic agriculture is certification of a production process rather than of an end product, but also because of the generic nature of the ISO Guide, which is meant for use in all sectors but is predominately oriented toward the industrial and manufacturing sector. The ISO Guide itself anticipates such a need. The introduction to the Guide indicates that the criteria should be 'considered as general criteria for organisations operating product certification systems' and that 'they may have to be amplified when specific industrial or other sectors make use of them.' A similar need to amplify the Guide has been identified in the European Union, where reference to compliance with EN45011 (the European manifestation of Guide 65) is supplemented by Minimum Inspection Requirements and Precautionary Measures of Annex III of the EU Regulation 2092/91.

ISO Guide 65 and the IFOAM criteria deal with several common issues:

- the structure of the certification body
- independence and objectivity, including regulation of conflict of interest
- confidentiality provision
- competency of certification body personnel and subcontracted persons
- quality management
- document control and record keeping
- the certification procedure
- control of marks and certificates
- transparency

In some of these areas the IFOAM criteria set down requirements in addition to those in ISO Guide 65. These are usually a direct result of the particular characteristics of the organic certification industry. For example, the membership nature of many organic certification bodies, a historical legacy, has resulted in a specific criterion to ensure equity in access to the certification service. The close-knit nature of the organic community has resulted in additional criteria related to conflict of interests.

The most significant additions, however, are found in special sections covering situations specific to the inspection and certification of organic agriculture:

- detailed criteria for the inspection process
- provisions for unannounced inspections
- factors for determining frequency of inspection
- inspection and certification during the conversion period
- inspection for partial conversion and parallel production
- inspection for genetically engineered products
- inspection and certification of the 'chain of custody'
- inspection of subcontracted production
- inspection and certification of grower groups
- inspection and certification of wild product harvest
- certification transference

IFOAM has been setting standards for production and processing for over 20 years and requirements for certification bodies for more than a decade. These documents have served as a template for organisations around the world interested in establishing standards for organic agriculture. More recently they have provided regulatory authorities with guidance in establishing national standards and regulations.

The recent initiative to enable regional variations to receive IFOAM approval indicates a resolve to pay more than lip service to the notion that there cannot be only one international standard for a form of agriculture that lays claim to being ecological. The standard must reflect the environmental reality of the region in which it is being applied, whilst honouring the established principles of organic agriculture. Regulatory authorities are faced with the same challenge in determining the equivalence of imports from regions much different from their own.

INTERNATIONAL HARMONISATION AND EQUIVALENCE IN ORGANIC AGRICULTURE – WHAT IFOAM AND THE IOAS CAN CONTRIBUTE

Bo van Elzakker

Introduction. When IFOAM and the IOAS want to contribute, they have to interface with governments and public authorities. One must remember though that the IFOAM Guarantee System is a private sector system. That has some advantages, such as the fact that the sector subscribes to it and actually pays for it, but it also has one big disadvantage – that it is not a public system. Both IFOAM and the IOAS, and authorities have been struggling for some time with the question of how the private system can relate to public systems. At the moment there is more than an arm's length and that is unfortunate if both worlds are to co-operate. Five areas of possible co-operation can be identified.

Standard setting. IFOAM has been happy to be part of consultations, internationally, regionally and nationally in standard setting and standard revision processes. This is a way to minimise standards differences and reduces the need for harmonisation or difficult equivalence determinations after standards have been set. The result is that governments end up with a good national or regional standard that is as compatible as possible internationally. However, IFOAM is asked to consult and it has no decision making power. That is sometimes discouraging. Should IFOAM intensify its input in the Codex system, use its own resources, its members in regional and national consultations? Again, standards divergence should be minimised in the first place. It reduces the need for harmonisation.

Standards equivalence. Equivalence is a difficult term. It means that standards are not the same but still fulfilling the same objective, leading to the same result.
IFOAM is experimenting with regional variations in standards. Its Basic Standards are written from an international perspective. There is regular criticism that they are not adapted to all situations. With regional variation there is a note in one international standard saying that, for example in regions that are very hot and humid, or where there are no animals, or where land pressure is high, the general standard can be replaced by this or that more situation specific standard. IFOAM is testing this with the North American (private) organic standard. This could be an interesting model, and it could perhaps be brought into the Codex discussions or used by governments to determine equivalence in a technical, transparent way.

Equivalence assessment. IFOAM Accreditation is an off the shelf service, for free (paid for by the certification bodies themselves). When doing its accreditation, the IOAS can check for compliance by the certification body with the requirements of any regulation. It provides annexes on the certification body programme's compliance with the EU regulation, ISO 65, NOP, JAS. This service is currently being used for import authorisations but can likewise be used for national accreditation decisions. The decision to permit import authorisation is made by the authority but the IOAS provides the material to make an informed decision and provides a continued oversight of the certification body. In case this model is adopted, this would result in a one-stop accreditation process; the certification body does not have to undergo several accreditation processes. Please note that some certification bodies operating in international trade have a handful of accreditations nowadays.
IFOAM accreditation turns out to be an exercise in equivalence determination because it is unavoidable that there are regional differences. When identifying a non-conformity, the IOAS will provide a note saying, for example, that the certification body does not exactly comply with a requirement but that they have this or that instead which is (or not), in its opinion, leading to the same result. An extra that comes along with this service is, that when a certification body signs a contract for IFOAM accreditation with the IOAS, the IOAS receives far reaching powers to investigate complaints. That includes frauds. The IOAS can do across the border investigations. Organic trade is very international and mobile, and international action is sometimes needed to protect its integrity. This is not covered in public regulations where national autonomy is very important.
Also in the field of equivalence assessment, it falls to the service of the IOAS to provide equivalence assessment reports on non-IFOAM accredited certifiers who are certifying to a public standard. This facilitates the inflow of 'regulation' organic product into the private label market.

Accreditation services. The IFOAM Accreditation Programme is designed for the private sector. Currently the IOAS is undertaking an equivalence assessment of the Danish State control system. The purpose of this exercise is that produce from state inspected farms can flow into private label retail product. Because of its public nature, this system cannot comply with a number of the IFOAM Criteria for Organic Certification Bodies. The IOAS will review which criteria are not applicable to the public sector and have to be replaced by other criteria, with the same result. Theoretically, it would then be possible to accredit public inspection bodies.

The IOAS is considering providing ISO 65 accreditation alongside IFOAM accreditation, or as a stand-alone*. Some certification bodies are required by their government to have formal ISO 65 accreditation. In case they also want IFOAM accreditation, there is unnecessary duplication. In other situations, governments are not interested in IFOAM accreditation but they are in ISO 65 accreditation. Another question is whether the IOAS will be recognised as an ISO 65 accreditation body given the fact that the IOAS is, so far, prevented from becoming a signatory to an ISO 65 Multilateral Recognition Agreement.

Body of expertise. Although the IOAS is a service provider set up by the private sector, it is doing more and more work for governments. It carried out a number of standards comparisons for the Canadian government, for example examining how their regulation compares with the EU. Given the demand for this information, IFOAM/IOAS are contemplating to establish a permanent database for standards comparison to which both the private and public sector can subscribe.
In the Danish situation, the IOAS reviews the national inspection and certification system. With Costa Rica we are determining equivalence of the accreditation systems.
In Australia, the government has asked the IOAS whether it is interested to perform part of the public oversight function. There may also be such an opportunity in the United Kingdom, and possibly in Germany.
IFOAM and the IOAS are bodies with expertise in the organic field; one more in standard setting, the other in conformity assessment. Both bodies are committed to serve the interests of the entire organic sector. They are available to work with the public authorities to solve the problems of the organic sector.

* This has been launched in the meantime

OPTIONS FOR ACCREDITATION: NATIONAL AND INTERNATIONAL ACCREDITATION SYSTEMS

Patrick Mallet

National accreditation

Accreditation is the act of verifying that a certification organisation is operating at a uniform level of quality and competence by assessing the organisation against relevant international standards. Accreditation assures those who use conformity assessment certificates that the organisations issuing the certificates are competent to do so. National Accreditation Bodies (NABs) have been established in both the private and public sector in countries worldwide. In many countries, there is one nationally recognised institution that serves as the government-sanctioned accreditation body. These NABs accredit the competence of certification organisations to issue certificates for a broad range of products and services, including certificates that relate to the environmental and social qualities of the product.

In some regions, these National Accreditation Bodies have come together to form co-operative regional initiatives. European Accreditation (EA) is the European co-operation organisation for nationally recognised accreditation bodies in Europe. The members represent European Union Member States as well as the European Free Trade Association (EFTA) countries. Today, practically all the EA members are responsible on a national level for the technical assessments of certification bodies, principally under the 'New Approach' directives. These directives encompass products within broad social sectors, of which the food sector is a rapidly growing one.

The New Approach Directive sets out the type of conformity assessment required according to the type of product and the degree of risk. Most products can be self-certified by a manufacturer's Declaration of Conformity. Some products must be examined (tested or certified) by a Certification Body that has been appointed by a Member State to meet the requirements of a Directive. Under the New Approach and Global Approach, the EN 45000 series is used to establish common criteria and procedures for conformity assessment bodies.

European Directives emphasise that competition between accreditors at the local, national or EU level should be avoided. Therefore, national authorities should limit accreditation to one national network or one national body to serve in all sectors, including regulated and non-regulated

fields. Accreditation bodies that are specialised by sector are also discouraged. This is an important difference from how international accreditation bodies have evolved and operate at present. Also, the EU closed structure for accreditation contrasts with the US system, in which various public and private bodies operate, sometimes in the same field.

EA members can apply for peer group evaluation of their activities. Successful members may sign the appropriate multilateral recognition agreement (MLA), under which they recognise and promote equivalence of each other's systems and of certificates and reports issued by bodies accredited under these systems. EA has Multilateral Agreements in the areas of calibration, testing, and certification (products, quality management systems, ISO 9000 and ISO 14000, Eco-Management and Audit Schemes, and personnel).

EA's MLAs constitute the European part of the world-wide recognition agreements established by the International Laboratory Accreditation Co-operation (ILAC) and the International Accreditation Forum (IAF). EA promotes the development outside of Europe of regional groupings of accreditation bodies by signing bilateral agreements with such groups of accreditation bodies or with individual national accreditation bodies.

Another example of a regional group of accreditation bodies is the Pacific Accreditation Co-operation (PAC), which has as members accreditation bodies and other interested parties whose objective is to facilitate trade and commerce among economies in the Asia Pacific region. Similar to EA, PAC has programs to harmonise accreditation procedures and their implementation based on international standards and guides; to exchange information among accreditation bodies; to co-operate in training; to contribute to the work of ISO; and to maintain contact with the IAF and the other regional groups of accreditation bodies.

The IAF is a world-wide association of bodies that accredit conformity assessment, as well as other organisations interested in conformity assessment. It exists primarily to facilitate world trade by working to remove technical barriers that may flow from demands for certification of management systems, products, and similar processes. It is a major world forum for developing the principles and practices for conformity assessment that will deliver the confidence needed for market acceptance.

The primary means by which the IAF will achieve this goal is through the establishment of MLAs, which provide for world-wide recognition of certificates of conformity issued by certification bodies that are accredited by members of the IAF. The objective of the MLA is to cover all

accreditation bodies in all countries world-wide, thus eliminating the need for suppliers of products or services to be certified in each country where they sell their products. In other words, IAF is trying to achieve a situation in which a supplier is certified once and accepted everywhere.

National accreditation bodies initially sign on to an IAF Memorandum of Understanding (MoU) that acts as a basic membership document in the IAF. Subsequent membership in the IAF MLA is then based on peer evaluation of each applicant and on continued surveillance of each member to ensure that all members of the MLA are operating their accreditation programs and implementing the Guidelines consistently and equivalently. Currently, the IAF operates a peer review programme and MLA for accreditation organisations that comply with ISO/IEC Guide 61:1996. IAF has issued guidance on the application of ISO/IEC Guide 61 that all accreditation body members are obliged to follow. The members of the IAF MLA have demonstrated in a peer evaluation that their programs comply with this Guide.

Peer review involves a comprehensive external audit of the operating procedures of an accreditation programme against internationally recognised standards (such as ISO Guide 61:1996). The results of this audit are then reviewed by the peer accreditation organisations, which in turn make the final decision as to whether the applicant organisation complies with the international standard. In accepting an accreditation body into a peer review MLA, the other peer review members are supporting the competence of the applicant body to carry out accreditation to a set standard.

Within the IAF, both accreditation bodies and certification body members are committed to basing their own conformity assessment procedures on standards or guides that are developed by ISO's Committee on Conformity Assessment (CASCO), and adopted in accordance with ISO/IEC rules. In order to ensure that the various programs are operated in an equivalent manner, the IAF issues Guidance to the application of various ISO/IEC Guides. The IAF Guidance documents are based on the experience of accreditation bodies in applying the ISO/IEC Guides in practice, and represent agreement among IAF members on best practices in the application of those Guides. Accreditation bodies that are members of the MLA are required to adopt the IAF Guidance as part of their general rules of operation.

Over the past two years, the IAF has recognised the growing development of single industry accreditation bodies, some of which operate internationally. In mid-2001, IAF adopted revised governance documents that provided for the membership of IAF to be extended beyond national accreditation bodies. Substantially rewritten Bylaws and MoU are now in force. All members of the IAF have subscribed to the new requirements and have signed the new MoU. The effect is that membership in the IAF is now open to any accreditation body that operates in accordance with international standards adopted by the IAF and with the relevant IAF guidance. Membership is also open, through an Association Member category, to associations of certification bodies or users of conformity assessment and to other organisations that support the objectives of the IAF.

International accreditation

As recognised by the IAF, and in contrast to national accreditation bodies, several international accreditation systems have emerged in recent years that verify the competence of certification bodies to operate in specific sectors. In addition to their single-sector focus, these international accreditation bodies have several characteristics in common that differentiate them from most national accreditation organisations. Foremost among these characteristics is that they have their origins in the private sector. Many of these organisations were developed as initiatives of producer groups and advocacy organisations in collaboration with the business sector, and are characterised by a concern for human rights, sustainable livelihoods and environmental health. These organisations have developed global standards and promote voluntary third-party independent certification to ensure compliance with these standards for a wide range of products. In addition, these accreditation bodies assess the competence of certifiers to apply standards that are based on the process or production methods used, rather than on characteristics of the product itself.

Among the international accreditation systems that have been developed are:

- International Organic Accreditation Service (IOAS), which accredits certifiers to the IFOAM Basic Standard;
- Social Accountability International (SAI), which accredits certifiers to SA8000, a standard focusing on social practices in the workplace;

- Forest Stewardship Council (FSC), which accredits certifiers to the FSC Principles and Criteria for well-managed forests;
- Marine Stewardship Council (MSC), which accredits certifiers to standards for well-managed fisheries.

These organisations share many similarities in how they were set up and how they operate. Unlike NABs, each was created to ensure credibility of certification audits to a specific social and environmental standard. It is the content of the standards themselves that is of primary importance to these organisations (or, in the case of IOAS, to IFOAM, their parent organisation) and to their broad-based stakeholder networks. Accreditation has been developed as the tool to ensure compliance with the respective standards. However, as the competence in delivering accreditation services increases, some international accreditation bodies have also decided or are now considering expanding the scope of their accreditation services to include verification of certifier's competence in relation to other standards, particularly ISO Guides 65 or 62.

In implementing their accreditation programs, these organisations quickly realised the importance of impartial, transparent and credible accreditation services in order to be recognised by government and industry. To that end, the accreditation bodies have refined their operations to bring them in line with international standards for accreditation, in particular with ISO Guide 61. This includes a clear separation of tasks between the development of standards and decision-making on accreditation. It was this desire for impartiality that prompted IFOAM to create a separate organisation, IOAS, to operate the accreditation service for the IFOAM Basic Standard.

ISEAL Alliance

Many of the international standard-setting and accreditation organisations concerned with social and environmental criteria in certification came together in 1999 to form the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance. This Alliance has evolved rapidly to become the leading forum for collaboration among international standard-setting and accreditation organisations. Among the main reasons given by members for collaboration are the desire to gain international recognition and credibility for their respective programs; to improve the quality and professionalism of their organisations; and to promote the common interests of private sector international standard-setting and accreditation organisations.

ISEAL is an alliance of organisations that share a common desire to bring about positive social and environmental change that ensures a healthier environment and better social and economic conditions for producers and their communities. Member organisations are committed to achieving this goal through the implementation of international standard-setting, certification, and accreditation systems that comply with internationally accepted criteria, that do not act as technical barriers to trade, and that focus on best social and environmental production practices.

In addition to the accreditation organisations listed above, other organisations that are currently participating in ISEAL include:

- Conservation Agriculture Network (CAN)
- Fairtrade Labelling Organisations (FLO)
- International Federation of Organic Agriculture Movements (IFOAM)
- Marine Aquarium Council (MAC)

The organisations that participate in ISEAL either set globally applicable standards through a broad consultative process (such as the IFOAM Basic Standard), or administer accreditation programs to assure the credibility of certifiers that assess to these standards (such as IOAS). While a primary function of these organisations is to define and verify adherence to specific standards, ISEAL members recognise that the credibility and integrity of their own systems must be secure. As a result, they have given priority to verifying the competence and credibility of their standard-setting and accreditation activities against internationally recognised norms, such as those developed through the ISO system.

Within ISEAL, organisations can participate as Full or Associate Members. Organisations that are actively pursuing the ISEAL Goals and Objectives and that have well-developed systems of accreditation or standard-setting apply for Full Membership. Organisations will be awarded Full Member status in accreditation or in standard-setting subsequent to successful completion of a peer review according to recognised international norms. Organisations that are interested in following ISEAL discussions but do not meet the expressed criteria for Full Membership can apply for Associate Membership. Associate Member status enables organisations to participate in ISEAL general meetings and to be kept informed of new developments within ISEAL, but does not confer voting rights.

While revision of the International Accreditation Forum Bylaws is a welcome move, ISEAL members agree that the scope and benefits of the ISEAL Alliance are broader and more targeted to international private-sector organisations. ISEAL members decided that it was in their best interests to create a formal, independent organisation that will carry out peer review for both accreditation and standard-setting, and that will actively lobby on behalf of its members on issues of common interest. ISEAL members are still interested in and considering applying for IAF membership, and believe that this complements the work of ISEAL.

It is recognised that ISEAL is operating in the same arena as other conformity assessment networks and must therefore strive to demonstrate at least the same level of competence in conformity assessment. ISEAL will play a role in strategic capacity building and mentoring its members to ensure that their work is accepted on a par with that of other conformity assessment organisations. This will be critical to long-term acceptance by ISO-CASCO, the WTO, and national and intergovernmental bodies. In addition, ISEAL will continue to build relations with the IAF to create a mutually supportive environment and to gain governmental recognition for international accreditation.

Having established the importance of a peer review mechanism, the first task of the ISEAL Alliance has been to identify internationally recognised norms that are applicable to member systems. In the case of accreditation, ISO Guide 61 will form the basis for assessing the integrity of members' accreditation systems. Initial analysis of member accreditation procedures has shown that no major inconsistencies exist with ISO 61 requirements as a result of the international nature of the accreditation programs. By contrast, there is no adequate internationally recognised document against which to assess international private standard-setting organisations. As a result, standard-setting organisations seeking membership in ISEAL are required to meet interim criteria based on the WTO Technical Barriers to Trade (TBT) Agreement Triennial Review Annex 4. These will be applied until such time as an internationally recognised document can be referenced or developed.

While the initial emphasis within ISEAL will be on gaining international credibility through peer review, the role of ISEAL in supporting its members goes far beyond this. ISEAL members came together initially because they realised the extent to which their respective activities and procedures were similar. Although the focus of each member's accreditation programme may differ, there are overlaps in the standards being applied, how the standards are developed, the certification procedures, and the accreditation process. ISEAL is a platform through which members can identify common areas and ways to work together.

An independent organisation representing ISEAL members will be better able to promote the common interests of its members. Government regulations being developed in the fields of environmental and social certification often do not adequately take into account the values and principles held by ISEAL members and their constituents. ISEAL will provide a stronger and united voice in support of producers, local communities and the environment in the elaboration of regulations, and will lobby for adoption of ISEAL members' existing standards as appropriate models for government regulation. ISEAL will also play a role in conformity assessment forums such as ISO CASCO, where it will focus on ensuring that the development of new conformity assessment guidelines and standards are compatible with and beneficial for ISEAL member systems.

THE RELATIONS BETWEEN PUBLIC AND PRIVATE CERTIFICATION BODIES – MISMATCH OR SYNERGY?

Anders M. Klöcker

Denmark is one of only a few countries in EU-15 with a state run control and inspection system. Mainly because of this, it has to face trade barriers when trading with IFOAM-based private certification bodies. The EU market is characterised by a free internal flow for organic products. However, in cases where producers want to achieve use of the local logos known and trusted by the local consumers on the respective markets, export is not that easy.

In June 2001, the former Danish Minister of Food, Agriculture and Fisheries therefore decided to carry out a thorough analysis of the Danish inspection and control system. The purpose of the analysis was to examine the advantages and disadvantages of a range of solutions ranging from a purely public to a purely private based control and certification system. The main conclusion drawn up by the working group, which consisted of members from the private and the public sector, was that the state system should be maintained. The main argument was that the public control system – which also has the ownership of the Danish logo (The Red Ø) – has been very successful in developing strong and trustworthy organic production in Denmark. On the one hand the Danish public system is therefore the key to consumer-confidence. On the other hand private certification bodies have difficulties accepting the public control system that Denmark perceives as a very comprehensive and safe system.

With this background the former Danish Minister of Food, Agriculture and Fisheries decided that a serious effort should be made to break down the barriers to the export of Danish organic foodstuffs. With close co-operation between the public and the private sector it was decided to develop a strategy for export in order to facilitate trade in organic products. The export-strategy, among other things, pointed out the need for bilateral negotiations with selected certification bodies and proposed to initiate an IOAS-evaluation of the Danish control system and its underlying procedures.

The purpose of bilateral negotiations is to establish a fruitful dialogue about the differences in production criteria. In those cases where Danish criteria differ, the Danish authorities offer to carry out supplementary control to the certification body in question for those farmers and companies who decide to establish export-dedicated production. The

purpose of the IOAS evaluation is to reach a clarified situation with regard to the differences between the organisation and procedures underlying IFOAM-based certification bodies and the Danish certification system.

The IOAS evaluation was initiated in the middle of 2001 and is still ongoing. No doubt the co-operation between the Danish Ministry and the IOAS – concerning the evaluation process – has so far been very pleasant and constructive. As mentioned the IOAS-evaluation is still pending, but it is expected that this external evaluation provides a basis for mutual recognition between IFOAM-based certification bodies and the Danish state control system.*

A report resulting from the evaluation could give other control bodies a comprehensive view of how the Danish control system works compared to the IOAS Criteria. The report will clarify possible differences between the structures and procedures in the Danish control system and the structures and procedures in IFOAM-accredited control bodies. Thereby hopefully only the differences in production criteria will have to be agreed upon when co-operating with other certification bodies. In cases where the Danish production criteria differ from those of other bodies, Denmark will, as mentioned earlier, offer supplementary control for those farmers and companies who wish to establish a production dedicated to export via the certification body in question.

Despite the fact that the evaluation is still ongoing it is already possible to pinpoint an important lesson learned from the process. Basically the lesson is that there is a fundamental discrepancy when it comes to the structure of private and public control systems. Due to their point of departure the IOAS Criteria are designed to fit the structure of a private control body – and vice versa. This, however, leads to a fundamental mismatch between the IOAS-criteria and the structure and procedures of a public control body.

As an example, confidentiality is given very high priority within the IFOAM-system, which has a non-governmental point of departure. Confidentiality is also given high priority in the Danish public system. But being a part of the Danish governmental administration in general, public access to a wide range of documents cannot be denied.

Another example is IFOAM requirements on acceptance of prior certification. IFOAM will only accept certification transference to products covered by a certification of other IFOAM accredited programs. However, as a public body the Danish control system is legally obliged to recognise

any organic product produced and controlled within the EU in accordance to EC-regulation and products from approved third countries.

The Danish control system is the first pure public control body evaluated by IOAS. Like Denmark IOAS might also be learning lessons from this evaluation process. Thereby IOAS might also agree that a public certification system does not fit to well into the IOAS criteria.

A possible solution to this problem might be that IOAS introduces two sets of criteria. One designed for public control bodies and one designed for private bodies. This solution would be in accordance with the fact that the EU Regulation is open for both public and private certification bodies.

Without doubt, a range of problems still have to be solved before trade between all corners of the organic society is made possible.

In Denmark, it is expected that a European Action Plan for Organic Food and Farming will contribute in general to the development of the organic sector all over Europe; and in particular that an Action Plan will identify possible solutions to trade-barriers.

Rather than the present situation, which is to some degree blocked by a structural mismatch between different systems, systems ought to acknowledge each other and thereby realise potential synergies. After all integrity and consumer confidence is the point of departure for all systems – whether public or private.

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[*] In the middle of July 2002, the ministry received the final evaluation report from IOAS. The overall conclusion is that the Danish inspection and control system is a generally well functioning approval and surveillance system.
The Ministry considers the evaluation report as a valuable instrument and expects that it will facilitate and simplify negotiations with IFOAM-accredited private control bodies. It is therefore the Ministry's intention actively to use the IOAS-evaluation in order to inform private control bodies about the Danish control system.

THE INTERFACE BETWEEN THE IFOAM INTERNATIONAL ORGANIC GUARANTEE SYSTEM AND REGULATIONS

Suzanne Vaupel and Gunnar Rundgren

The IFOAM International Organic Guarantee System is a comprehensive system that does three things:

- It protects the organic guarantee from field to table.
- It facilitates trade through harmonisation of standards and conformity assessment.
- It conserves government and private resources by avoiding duplication.

The system consists of four elements:

1. IFOAM Basic Standards, which include international standards for organic crops, livestock, and processing, and draft international standards for organic aquaculture, textile processing, and forestry products. These standards allow options for regional variations, and were developed according to the requirements for international consensus standards.

2. IFOAM Accreditation Programme, which as of Oct. 2001 involved 17 accredited organic certifiers from 12 countries operating in 73 countries, plus 12 applicant certifiers from 4 additional countries. It is based on the IFOAM Basic Standards and IFOAM Criteria for Organic Certifiers, and is recognised as a rigorous control system. It is operated by the International Organic Accreditation Service, a non-profit corporation in the US.

3. Mutual Recognition Agreement by IFOAM Accredited Certifiers, which establishes a framework for mutual recognition among IFOAM accredited certifiers. The agreement has been signed by all but two IFOAM accredited certifiers (those two have indicated their intention of signing), and is used as the basis for certification transference.

4. *IFOAM Seal,* which consists of the '*IFOAM Accredited'* logo placed next to the seal of the accredited certifier. The seal provides international consumer recognition of products certified under the IFOAM system and provides access to markets that require IFOAM accreditation.

IFOAM Basic Standards in the international system

The IFOAM Basic Standards are international standards for organic agriculture. They were developed according to requirements for private voluntary consensus standards, in consultation with stakeholders throughout the world, and are used by organic certifiers and governments throughout the world.

International standards are preferred for facilitating trade, as shown by the following:

- Article 2.4 of the WTO Technical Barriers to Trade Agreement (TBT) requires central governments to use *international standards* where they exist.
- The WTO Code of Good Practice requires standardising bodies to use *international standards* as the basis for standards they develop. (Annex 3 to the TBT)
- Draft Protocol 2 of the UN Economic Commission for Europe (which is made up of 55 member countries from Western, Central, and Eastern Europe, North America, and Central Asia) calls for governments to use *international standards* and to reference standards into legislation whenever possible.
- US policy directs federal agencies to consider *international standards* in the interest of promoting trade and implementing international agreements. (OMB Circular A-119, (6)(h))

IFOAM is listed by ISO as an international standardising body. Private international standards such as the IFOAM Basic Standards are recognised in the international system, as shown by the following:

- The WTO Committee on Technical Barriers to Trade applies the same obligation to use international standards, regardless of whether the standards were developed by governmental or non-governmental bodies. (Second Triennial Review, par. 19. G/TBT/9)
- OECD recognises the *de facto* decentralised system of international standards-writing bodies, which includes a diverse mixture of private organisations such as IFOAM. (TD/ TC/WP (98) 36/FINAL) 28 Jan. 1999)
- Codex Statutes recognise the standards-writing work of NGOs and direct Codex to publish its standards together with international standards finalised by NGOs whenever practicable. (Article 1 (b), (d))

Private sector standards are commonly accepted by governments. For example, US legislation directs federal agencies to adopt standards developed by private voluntary consensus bodies to carry out policy objectives. (National Technology Transfer and Assessment Act, Sec. 12 (d)(1)) Similarly, in most sectors, the EU mandates private sector standardisation bodies to develop technical standards according to the essential requirements written into EU regulations. *(The New Approach to Harmonized Standards*, EU Commission Website)

The IFOAM Accreditation Programme in the international system

The IFOAM Accreditation Programme is an international programme that meets international requirements for conformity assessment. It incorporates ISO Guide 65 for Certification Programmes as adapted to the organic sector, and was found by an independent auditor to be in conformity with ISO Guide 61 for Accreditation Programmes. The programme is undergoing peer review.

The programme facilitates trade and conserves government resources. For example, services offered by the IFOAM Accreditation Programme eliminate the need for expensive duplicative reviews by multiple governments. Recognition of the IFOAM Accreditation Programme simplifies trade by eliminating the need for multiple bilateral agreements.

International conformity assessment systems are preferred for facilitating international trade. For example, Article 9.1 of the WTO TBT requires members to adopt *international systems for conformity assessment* and to become members or to participate in them.

Private conformity assessment systems are commonly used in national and international systems, as shown by the following examples:

- The WTO Committee on Technical Barriers to Trade notes the use of co-operative arrangements between domestic and foreign conformity assessment systems and government acceptance of these. (Second Triennial Review, Annex 5. G/TBT/9)
- Australia notes that 'many WTO members utilise private sector accreditation bodies to underpin their regulatory system.' (G/TBT/W/ 118) 14 Sept. 1999)
- US legislation directs federal agencies to co-ordinate with private conformity assessment activities to eliminate duplication. (National Technology Transfer and Advancement Act, Sec. 12 (b)(3))
- The US National Research Council recommended development of a national conformity assessment system led by the private sector with support from the government. (National Institute of Standards and Technology. *Plan for Implementation*. 1996)

Interfacing with national organic programmes

The IFOAM International Organic Guarantee System can interface with national organic programmes and thereby provide the following advantages:

- facilitating international trade through a harmonised international system of standards and accreditation;
- simplifying and accelerating legislative work on standards;
- conserving government resources by eliminating the need to develop an accreditation programme for organic certifiers;
- saving money for organic certifiers and producers by avoiding duplicative inspections, evaluations, and reports.

The IFOAM Basic Standards and approved variations can be referenced by or incorporated into legislation or regulations. The IFOAM Accreditation Programme can be recognised by government authorities for allowing imports certified under the IFOAM system and for supervision of certification bodies.

The International Organic Accreditation Service can be used in several ways:

- It can be subcontracted to provide a complete accreditation service.
- It can be subcontracted to provide specific services, such as on-site evaluations, compliance evaluations, etc.
- It can provide reports for use by government accreditation programs to eliminate costly duplication.

Mutual recognition between IFOAM Accredited Certifiers can be a mechanism for import approval delegated to approved national certifiers, as developed in the practical implementation of the US and Japan organic programs, for example.
Finally, using the IFOAM International System in national programs fits with the international system. As noted, the TBT requires governments to use international standards where they exist, and the WTO Committee on Technical Barriers to Trade notes that governments can open market access opportunities by using voluntary international standards instead of mandatory technical regulations. (Second Triennial Review, par. 38. G/TBT/9)

BRIDGING OBSTACLES TO INTERNATIONAL TRADE*

Robert Simmons

The multi-lateral agreement (MLA) between IFOAM Accredited Certification Bodies (ACBs) came into existence in October, 1999. That date was not an ending, but a beginning.

Some history

The MLA was originally submitted in draft at BioFach 1998 to the ACBs by David Crucefix, the then International Manager for SACert (Soil Association Certification Ltd.). He continued to hone the document throughout 1998 with feedback from the ACBs. A third draft was submitted to the ACBs at the first annual ACB meeting held in Miami in June 1999. At that meeting nine of the then fourteen ACBs committed to signing the document and plans were made to announce the MLA to the world at two meetings, the IFOAM Trade Conference 1999, held in Florence, Italy, and Expo East 1999, held in Baltimore, USA. That target was indeed met and, in the event, twelve ACBs signed the MLA. The two that did not were unable to attend the meeting, but had already committed to signing when logistically possible. Since then, the number of ACBs, and subsequently the signatories for the MLA, has grown to seventeen and fifteen respectively, with two committed to signing.

What is it?

It had long been recognised that a mechanism to allow acceptance of products between ACBs was needed. This acceptance would be based on the recognition that all ACBs' standards were at least equivalent to the IFOAM Basic Standards (IBS), and that each ACB's competence as a certification body was ensured by meeting IFOAM accreditation criteria. The MLA was designed to be that mechanism of acceptance. Creation of the MLA was no small feat considering differences in standards beyond the IBS, and the fact that most ACBs are subjected to their home country's regulatory requirements. To meet the demands of standards beyond the IFOAM Basic Standards and regulatory requirements, an 'Additional Requirements' clause was incorporated into the MLA. Since its inception, most of the work surrounding the MLA has been centred on identifying these 'Additional Requirements' and discussing ways of eliminating as many as possible. During a three-day ACB meeting in Bristol held this

* First published in *The Organic Standard*, issue 7, 2001.

year, the ACBs were challenged to condense their lists of additional requirements as far as possible and many met the challenge. There is still work to do in this area and all signatories to the MLA are committed to doing what needs to be done to reduce and, if possible, eliminate the need for any additional requirements.

Contrary to popular belief, the MLA is self administered and controlled by the ACBs. The International Organic Accreditation Service (IOAS) has been instrumental in the MLA's development, but does not administer it in any way.

Another aspect of the MLA that may not be clear to those outside the process is the fact that it extends to 'certification of origin' only. In other words, acceptance can only be realised for products that were originally certified by a signatory of the MLA. Proposals for the allowance of non-certification of origin are being drafted and discussed, and should be on the agenda for the next ACB meeting scheduled for BioFach 2002.

How does it work in practice?

A lot of work has been carried out to standardise the mechanics of acceptance between ACBs. The work has resulted in two documents, which are exchanged between ACBs, that allow for the flow of product. One of the documents is the list of 'Additional Requirements'. The other, known as the 'Acceptance Request', serves as the request for acceptance of product from an ACB's client as well as the request to the ACB which certified the product to verify eligibility of acceptance. The process for acceptance of a product is as follows:

- An ACB's client makes a request to their ACB (ACB-a) for acceptance of a product certified by another ACB (ACB-b). This is done with the 'Acceptance Request' form.
- ACB-a ensures all information on the Acceptance Request is complete and accurate, and then sends it to ACB-b, along with its (ACB-a's) list of 'Additional Requirements'.
- ACB-b reviews the Acceptance Request form to ensure that the product in question and its producer are indeed currently certified.
- ACB-b compares ACB-a's Additional Requirements against ACB-b's client's file to ensure that the client meets all ACB-a's Additional Requirements.

- If no issues are identified, ACB-b signs off on ACB-a's list of Additional Requirements and the Acceptance Request and returns both to ACB-a.
- ACB-a's client is notified of approval of acceptance.

All ACBs have committed themselves to achieving a 48-hour turnaround from the request to notification of approval.

What does the future hold?

The ACB-MLA is a living document. It has already seen many changes and is sure to see more in the immediate future and coming years. At present, most ACBs are establishing acceptance procedures with other ACBs on an 'as requested' basis. The goal is that as the MLA process matures, newly accredited ACBs will be invited to become signatories to the MLA and given the tools to implement it immediately. To a great extent, this is already the case, and as Additional Requirements are minimised and hopefully eliminated, ACB certified products are sure to flow, unimpeded, throughout the world.

THE MULTI-LATERAL AGREEMENT AMONGST IFOAM ACCREDITED CERTIFICATION BODIES

Diane Bowen and Annie Kirschenmann

IFOAM Accreditation provides a common platform upon which Accredited Certification Bodies (ACBs) can streamline their operations and support the flow of international trade in organic products. Indeed, the ACBs have built a multi-lateral mutual recognition agreement (MLA) in which most of the ACBs are currently participating.

The ACBs began to work on crafting the MLA in 1997, using as resources some existing bilateral agreements, an ISO 9000 special report on mutual recognition agreements, and model MLAs in other ISO settings. The first draft was finished in 1998, and then underwent a legal review. In 1999, nine ACBs were initial signatories to the MLA. By the end of 2001 there were 15 signatories from around the world.

As to its structural components, the MLA contains the following clauses:

1. Definitions and Abbreviations
2. Purpose
3. Preamble ("whereas")
4. Agreement
5. Obligations
6. Termination of parties
7. Addition of parties
8. Confidentiality
9. Severability
10. Notices
11. Arbitration
12. Annex of Additional Requirements

It is important to note that the MLA is owned and controlled by the ACBs – which are at the same time the only ones it is open to – not by IFOAM or IOAS. It provides recognition of functional equivalence among certification bodies. This functional equivalence is established for the system of accreditation at the level of the IFOAM Accreditation Criteria, and for organic standards at the level of the IFOAM Basic Standards. The MLA is a tool to facilitate acceptance and trade. Its tangible result is an easy process for one ACB to accept products certified by another ACB. This process is known as "certificate acceptance", and stands in contrast to the process of conducting full document reviews and re-certifying a product. The MLA covers only the "certification or origin". This means

that a certificate being accepted by one ACB must have been certified all the way through to the original farm production level by the ACB issuing the certificate.

It is important to note that the MLA does not signify blanket acceptance of products without any further checking. Nor does it confer an additional certification of an operator by another ACB. It does not automatically transfer the logo of a second ACB to the operation.

Two levels are involved in implementing the MLA. Level one is the multi-lateral recognition. This means that certification systems are functionally equivalent since they all meet the IFOAM Accreditation Criteria. Organic Standards are equivalent at the level of the IFOAM Basic Standards. Certifiers may specify compliance to additional standards requirements when deciding case-by-case certificate acceptance.

At level two, the bilateral acceptance, the process for accepting certificates is established between two ACBs. ACBs are accepting products purchased by their certified operators.

Several steps are involved until implementation of certificate acceptance is achieved. First, all ACBs submit their additional standards requirements to the ACB coordinator. Then, additional requirements are worked out bilaterally between ACBs. The two ACBs determine which additional requirements apply in the specific case of certificate acceptance between them. Forms for processing certificate acceptance are developed and implemented. The forms are tailored for each bilateral certificate acceptance arrangement. They provide a system of checks and controls on a routine basis. Certifiers verify for one another if additional requirements have been met by the seller.

The status of implementation can be seen best by considering three priority levels for implementation as follows:

1. Top priority: Where there are frequent transactions of product from one certification system into another. *Status: Almost fully implemented.*
2. Middle Priority: Where there are occasional transactions of product from one certification system to another. *Status: Some implementation.*
3. Low priority: Where there are rare or no transactions of products from one certification system to another. *Status: Virtually no implementation.*

Additional standards requirements are, naturally, a compromise of full recognition, although there are important reasons to allow them. Having too many additional requirements, however, destroys motivation and justification for bilateral certificate acceptance. In these cases, it is less work for the originating ACB just to furnish all the original documentation to the other ACB. Hence these additional requirements are one of the big challenges to full implementation of an agreement.

There are indeed several reasons for having additional requirements instead of full standards recognition:

- There may be legal constraints on the ACB in the form of government regulations which require full standards compliance.
- Consumer expectations about a particular certification seal or in a particular country/region may require compliance with certain additional standards.
- Certified operators have expectations of fairness and parity in requirements by their ACB.
- Eliminating additional requirements altogether requires that ACBs determine "equivalence". This is a complex process and may not be justifiable at the certifier to certifier level.

Another challenge is communication. The worldwide distribution of ACBs can make follow-up on the mechanisms of bilateral certificate acceptance difficult.

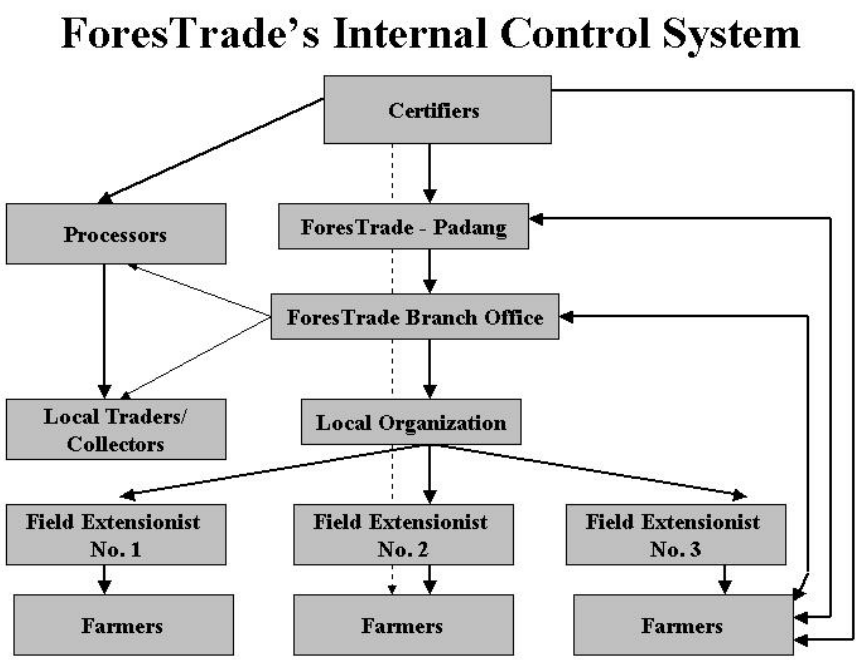
Last but not least, ACBs are struggling to deal with the deluge of multiple international regulations and new accreditation requirements which make the setting of priorities a very difficult task.

INTERNAL CONTROL SYSTEMS – THE EXPERIENCE OF PT. FORESTRADE INDONESIA

Lucia Lie

Founded in 1996, PT. ForesTrade Indonesia works directly with 4793 farmers, who produce on 7145.39 hectares. The Company purchases a range of 11 commodities and 5 essential oils from their production partners and a local essential oil processor.

To ensure the organic integrity of their products, ForesTrade has established an Internal Control System (ICS), which has the following basic structure:



In creating such an organic certification system, ForesTrade had to cope with a number of diverse challenges. To begin with, most of these farmers did not have any prior knowledge of international organic farming standards. This was further complicated by the fact that information on organic agriculture did not exist in their national language. Moreover, the farmer groups did not have sufficient sources of working capital.

Additional challenges from non-harmonisation and an absence of local certifiers, resulted in ForesTrade having to license with multiple certifiers, who are not locally based, and often use inspectors who do not speak Indonesian, and who have varying interpretations and standards for compliance with the Internal Control System's requirements. It should also be noted that different interpretations of organic standards by multiple certifiers has confused farmers and field staff, as did the number of inspections required for the same certified areas.

Fortunately, the multiple benefits of organic farming make the effort to overcome these challenges worthwhile. Not only has organic farming proved to be financially viable, but the system is also one of bringing people together to make agriculture more sustainable while stimulating local economic development and progress.

OVERVIEW OF DIFFERENT SYSTEMS OF IMPORT REGULATIONS

Ken Commins

The regulatory "front door" system. This model is based on each country having a regulation and a regulatory compliance system and implies that the governments will establish equivalency agreements with each other. They will negotiate on the basis of the technical standards and reach mutual recognition. So far all regulations in the organic field that have been published with import restrictions have included this standard method of reaching trade agreements.

One of the problems and challenges arising within this system is the fact that it assumes that all governments will have a regulatory system sooner or later. The problem with a tiny sector like organic is that this could take a very long time. Experience has also shown that even once a country has a regulation it can take many years for the negotiations to be worked out. In addition each government has to go through this process with every country with which it intends to exchange goods. There are countries, particularly in the developing world, that produce organic food specifically for export but are unlikely to have their own regulations in the next two decades.

Besides, the "front door" system may not lead to a fair resolution of equivalency. There is naturally an imbalance of power in these negotiations which favour the larger countries or regions – particularly those that are significant importers. In addition, the term equivalency is not easily defined. Without clarity, equivalence may easily become more like compliance.

Taken together, these two factors may lead to the situation where national standards are not written for the region in question, but rather to meet the importing country requirements. There are examples where regulations appear basically to copy the EU regulation. By their very nature organic standards need to be region-sensitive. This system, however, discourages that possibility. It may have worked while there was only one import regulation of significance (the EU), but now all regulations will have to incorporate bits and pieces of the US and Japanese standards as well as their conformity assessment systems. In doing so, exporting countries may end up with a standard that is simply not workable in their particular region. Finally, the reality is that the country doing most of the importing will require equivalency from the exporting country but there are little (and in some cases no) equivalency demands the other way round. In short the whole system is somewhat neo-colonial in its method.

The country to country recognition model also runs the substantial risk of being more than a technical evaluation of equivalence. It can easily be used to keep out a product that is competing with home grown under the guise of a technical discussion. The Technical Barriers to Trade Agreement is not going to stop this happening until it has been through the WTO trade dispute resolution process – another long process.

The system's biggest shortcoming, however, is that it makes the assumption that a product is produced in one country. While this may be the case with raw materials, it is often not the case with processed food. The sourcing of ingredients from many countries is of course prevalent in the non-organic food sector but is amplified in an undeveloped sector like organics, where one is more likely to have to seek ingredients further afield. The country to country recognition model is by its very nature bilateral, while organic trading is increasingly multilateral.

To illustrate this problem: A product is semi-processed in Brazil using ingredients produced in Brazil and in Argentina. This is imported into the US to be further processed for export to the EU. Now suppose it is year 2006 and the US has recognised Brazil but not Argentina. They approve the Argentinian product through an alternative method (see below). Now the finished product is exported to the EU who accepts the USA and Argentina but not Brazil. This is happening every day, and the bilateral country to country system of equivalence simply cannot cope with this reality, which gets even more complex and confusing if one adds ingredients coming from countries without a regulation to the scenario.

The regulatory "back door" system. "Back door" is used here to describe, emphatically not in a derogatory fashion, the systems that regulatory authorities have put in place for products imported from a country where they have no government to government recognition. These systems have created their own problems.

The first one is that each regulatory authority is establishing entirely different back door systems. This is a major problem for the organic industry; one which seriously endangers the good efforts of third world certification bodies and perhaps even some of the larger certifiers for every country to which their operators wish to export. This is expensive, and repetitive. It was already difficult for those certifiers just with exports to the EU but now they have to deal with the US, Japan, and perhaps several others.

Moreover, the diversity of back doors is even greater than may appear at first glance. In the EU system, for example, the responsibility for issuing

import licenses rests with Member States. With that responsibility comes the right to determine equivalency. The reality is that it is ultimately up to each country and in some countries, each state, to interpret the requirements for establishing equivalency. The result is that products may flow freely into one state and not into the others.

Meeting requirements for equivalency with an EU Member State will not help with entrance through the backdoor of the USA. Many countries in the EU require ISO 65 accreditation in order to get in the back door, but this will not help with gaining entrance into the USA where the back door method is accreditation by the USDA. Accreditation suggests that a certifier needs to establish compliance not equivalence; that is to meet the same requirements as certification bodies within the USA. It is not clear yet whether this will be the case; nor is it clear what will happen if this is in some way contradictory to one's own national law or the requirements of another importing country.

In the case of Japan, IFOAM accreditation or ISO 65 accreditation is recognised to an extent – it enables the foreign certification body to act as the inspection body for a Japanese registered certification body – a form of re-certification by Japanese approved certification bodies. It will not, however, be sufficient for the certification body itself to become approved.

The International Private Sector System. This refers to the IFOAM international guarantee system, or IFOAM accreditation, which is made up of two normative documents (the IFOAM Basic Standards established by the global membership, and the IFOAM criteria for certification bodies) and an accreditation programme to assess conformity with these requirements. It is self regulation by the sector at the international level which has increasing support from the trade and the certification sector. This system avoids some (but not all) of the problems mentioned for the other systems due to the simple fact that it is an international system, with the same requirements wherever the certification body is situated, and the conformity assessment undertaken by a single accreditation body.

As a result there are no questions about the equivalence of the conformity assessment. There are also no lingering questions about the equivalence of the measures undertaken by the certification body – they all have to meet the same requirements – the IFOAM Criteria.

The most serious problem is that this system is not integrated into the regulatory systems to any significant extent. To be IFOAM accredited may assist a certification body in gaining access into foreign markets but it does not guarantee that at all. This means that it is an additional burden to the

certification body on top of all the hoops they are already jumping through to achieve regulatory acceptance around the world.

The second problem is that questions about the equivalency of standards are not entirely resolved in the IFOAM system. The IFOAM Basic Standards are a bottom line. The certification body's standards must meet or exceed this standard. However the way in which one certification body chooses to exceed may differ significantly from that of another certification body, with the result that the IFOAM accreditation does not necessarily confer automatic equivalency of standards.

With organic agriculture, a sane system of agriculture has been created – now it is time to create a sane system of regulatory oversight at the international level.

REGULATION OF IMPORTS INTO MAJOR MARKETS

Ken Commins and Ong Kung Wai

European Union

The EU regulations on organic production are set out in Council Regulation (EEC) No. 2092/91 and its amendments. Article 11 of Regulation 2092/91, as amended, specifies requirements for importing products from countries outside the EU. EU regulations apply to all processed and unprocessed food products from plants or animals and to wild products.

Currently there are three methods for meeting the requirements for importing organic foods into the EU:

1. Approval of third countries

Article 11 of Regulation (EEC) No 2092/91 establishes the basic system for approval of third countries for the purpose of importation of organic products. Commission Regulation (EEC) No 94/92 of 14 January 1992 lays down more detailed rules for implementing the arrangements for imports from third countries that are provided for in Regulation (EEC) No 2092/91. This requires the EU authorities to evaluate and approve a third country's organic standards and its organic inspection system as being equivalent to the requirements within the EU. In cases where inspections are carried out by private certifiers, the EU will evaluate the exporting country's system for accrediting private certifiers.

The evaluation of the third country system includes physical visits by independent experts or by the Commission's own experts. Such evaluation visits may also occur at any time following approval of the third country.

Approved countries appear on a list annexed to Commission Regulation (EEC) No 94/92. The list may specify approved regions, production units, or inspection bodies within the country. Through this method, inspection bodies are approved by the EU only for their work within the country on the Article 11 list, and not for certifications outside of the country.

To be added to the Article 11 list, a country representative must apply to the Commission and provide sufficient information to enable the Commission to ensure that the requirements are met for organic products intended for import into the EU. Formatted tables for enabling comparison of third country standards against those of the EU are provided by the EU. The information must include: types of products intended for export; rules

of production; rules on the inspection system and description of how it is organised; and any available reports on the effectiveness of the implementation of production and inspection rules. [Commission Regulation (EEC) No. 94/92, Art. 2.(2)]

2. Member state authorisation of products - the importer derogation

Council Regulation (EEC) No. 2083/92 amended the Regulation to enable the government authority with jurisdiction over organic standards in an EU Member State to authorise an importer to import products from a country not included in the Article 11 list. This provision is commonly referred to as the 'importer derogation'. It is scheduled to expire on 31 December 2005. In order for imports to be approved under this method, the importer must furnish the Member State with sufficient evidence to show that:

- the imported product was produced according to organic production rules equivalent to EU standards;
- the imported product was subject to inspection measures equivalent to EU inspection requirements;
- the inspection measures will be permanently and effectively applied (Council Regulation (EEC) No. 2092/91, Art. 11 par. 6, as amended); and
- the certification body operates in compliance with ISO/IEC Guide 65.

Each importer must obtain a separate authorisation for each imported product. If an importer imports the same product from different countries or with certifications from different certifiers in the same country, a separate authorisation must be obtained for each.

This process to license the importer to import a particular product from a particular country not on the Article 11 list is the responsibility of individual Member States, not the responsibility of the Commission. Member States and even regional authorities implement this provision differently with respect to the nature of the evidence that must be supplied. For specific information, contact the Member States. (See article on 'Status of National Organic Regulations' for contact information.)

The majority of products currently entering the EU are imported through the Member State authorisations and not from countries on the Article 11 list.

3. Commission approval of a third country's inspection body

A recent amendment to Council Regulation 2092/91 allows an EU Member State to assess a third country's inspection body (certification body) and request the Commission to approve it. The Commission may

approve the inspection body and add it to the Article 11 list. [Council Regulation (EEC) No. 2092/91, Art. 11, par. 7 as amended by Commission Reg. (EEC) No. 1935/95, Art. 1, par. 31]

The intent of this provision is to provide a mechanism under which certification organisations approved in EU countries could be approved for certifying imports from third countries into the EU.

Commission Regulation 1788/2001

The regulation concerns imports from third countries with particular application to the EC customs provisions for marketing within the European Community. Products imported by any of the above three methods are subject to this regulation.

The purpose of this regulation is to establish a procedure for co-ordination at the Community level for controls on products imported from third countries. The main requirements are that all goods imported from a third country must be accompanied by an original inspection (transaction) certificate and that all consignments must be verified by the relevant authority in the Member State, usually the customs authority.

The certificate must be issued by the competent authority or a similar body in the third country together with the appropriate signatures and stamps as well as the signatures and stamps of the Member State competent authority granting the authorisation. The original certificate must accompany the consignment. At the point of entry into the Community, the consignment must be verified and the certificate signed and stamped by the relevant authority of the Member State (customs authority). This must be done at the point of entry into the European Community, regardless of the eventual destination of the goods.

United States

The United States regulations on organic production are set out in the Organic Foods Production Act (OFPA) of 1990 and the National Organic Program; Final Rule, 7 CFR Part 205. OFPA and the Final Rule apply to all operation that sell processed and unprocessed organic products, including cultivated crops, wild crops, livestock, livestock feeds, and handling operations. According to Section 205.300.c of the Final Rule, products produced in a foreign country and exported for sale as ‘organic’ in the United States must be certified and labelled in accordance with the US Rule.

Currently there are three official methods for meeting the requirements for importing organic products into the United States:

1. Direct accreditation by USDA

Section 205.500.a of the Final Rule empowers the United States Department of Agriculture (USDA) to accredit 'a qualified domestic or foreign applicant in the areas of crops, livestock, wild crops, or handling or any combination thereof to certify a domestic or foreign production or handling operation as a certified operation.'

Accreditation by USDA covers the operations of the accredited certification body worldwide, regardless of where the certification body is located. Once accredited, all certifiers are to be treated equally, regardless of whether they are based inside or outside the US, and regardless of whether they are government or private programs. Furthermore, all accredited certifiers are required by the Rule to accept the decisions made by all other certifiers that are accredited or accepted by the USDA.

Under the direct accreditation option, certification bodies and the operations they certify must comply with the requirements of OFPA and the Rule in order for the products they certify to be sold in the US.

2. Accreditation by a foreign government

In lieu of direct accreditation by the USDA, the USDA will accept a foreign certification body's accreditation if the USDA determines, upon the request of a foreign government, that the standards under which the foreign government authority accredited the foreign certification body meet the requirements of OFPA and the Final Rule.

In other words, a foreign government would have to request approval. The foreign government would need to have standards that are essentially the same as those of the US, and an accreditation programme approved by the US. The resulting certifiers would be 'approved', but not directly accredited by the USDA.

3. Equivalency

The third option is equivalency; a foreign government authority that accredits a foreign certification body must operate under an equivalency agreement negotiated between the US and the foreign government.

Under equivalency negotiations, governments assess each others standards and procedures to determine if they meet fundamental objectives. They do not have to comply word for word, and various strategies may be employed to achieve similar outcomes.

Certifiers accredited by governments that have negotiated equivalency agreements with the US would be 'approved', but not directly accredited by the USDA. No equivalency agreements have been negotiated to date.

Japan

On 1 April 2001, new organic regulations took effect in Japan, requiring all produce and processed foods (crops only) labelled as organic in Japan to carry the Japan Agricultural Standard (JAS) mark.

In general, the regulation requires the registration of certification organisations, as well as certification (inspecting and judging) of production process managers, manufacturers and sub-dividers (including foreign ones) and importers by Registered Certification Organisations (RCOs) based on the respective Technical Criteria for Certification.

There currently are three ways for agricultural products to get the Organic JAS mark:

1. Certification by a MAFF-registered certification organisation (RCO) in Japan

An RCO in Japan certifies the production/processing in the exporting country. The certified foreign operator can affix the Organic JAS label for export to Japan.

The RCO may delegate inspection to a Certification Body in the exporting country through a 'trust contract of providing inspection data', provided the Certification Body conforms to the following requirements:

- It is recognised or registered as a certification body by the government of the country, the local government, or an international organisation with established reliability (ISO, IOAS); and
- It has considerable experience as a certification body for organic foods.

2. Certification by a MAFF registered foreign certification organisation (FRCO) in the exporting country

For registration as an FRCO, the foreign organisation must have its business establishment in a country that is deemed by MAFF to have a system equivalent to that of Japan. The FRCO certifies the production in the exporting country. The certified foreign operator may affix the Organic JAS label for export to Japan.

RFCOs may also certify in countries other than the country of its business establishment (excluding Japan), provided the foreign countries are included in 'the area where certification service is carried out' at the time of application of registration.

RFCOs may also delegate inspection (conclude a trust contract of providing inspection data) to certification bodies in other countries (excluding Japan), provided the certification body conforms to the same

requirements as listed above. RFCOs intending to do so are requested to communicate in advance with the Standards and Labeling Division. (See article on 'Status of National Organic Regulations' for contact)

3. Recertification

In this procedure, an RCO in Japan uses data obtained in past on-site inspections to certify an importer of organic ingredients destined for use as ingredients in finished products marketed as organic in Japan. Production and processing of organic raw material is certified by a certification body in the exporting country. The RCO of the Japanese importer (processor) will assess conformity to the organic JAS for organic ingredients to be used for organic processed foods. The certified Japanese processor (importer) in Japan affixes the Organic JAS label.

The RCO may use data obtained from previous inspections if the inspection was carried out by an organisation that meets the criteria for certification bodies listed earlier, and if the RCO judges that the data is still effective. Data obtained more than one year ago is not thought to be effective.

If such inspection data is not enough for certification, the RCO must perform an on-site inspection. RCOs planning to utilise such data are required to communicate in advance with the Standards and Labeling Division. (See article on 'Status of National Organic Regulations' for contact information.)

Use of raw materials to manufacture and export organic products to Japan

The question arises as to whether a foreign manufacturer is required to use raw materials bearing Organic JAS Marks to manufacture and export Organic Products to Japan. Article 15-7 of the JAS Law provides that organic products certified under the system of the country with an equivalent system are considered equivalent to organic products certified under the JAS System, and certified importers may attach Organic JAS Marks to the products imported to Japan. In a similar fashion, certified foreign manufacturers are allowed to manufacture or process organic products using certified organic raw materials from countries having been deemed to have a system equivalent to the JAS System without those ingredients having to carry the Organic JAS Marks.

IMPORTS UNDER THE REGULATORY SYSTEM OF EEC-REGULATION NO 2092/91

CONTRIBUTION FROM A GERMAN LÄNDER AUTHORITY (BADEN-WÜRTTEMBERG)

Hans-Georg Borowski-Kyhos

In Germany, responsibility for the implementation of the EEC-Regulation has up to now* been not so much in the hands of the federal authorities but much more at the level of the 16 federal states (*Länder*). One of these federal states is Baden-Württemberg**. The perspective and experiences of this federal state's authority with some issues relating to organic imports under EEC-Regulation No 2092/91*** during the last ten years will be outlined in what follows.

EEC Regulation No 2092/91 contains a separate chapter (Article 11) for imports from non-EU countries, which, in the terminology of the EU, are called Third Countries. The prioritised way is applicable for those countries which have demonstrated to the EU that they have a national rule in force which has been assessed and found to be equivalent to the EEC-Regulation. The respective import procedures are then facilitated for both the importer and the exporter. The list of these countries, to be found in a separate regulation, is, however, still quite restricted. So far only the following countries are listed: Argentina, Australia, Switzerland, Czech Republic, Hungary, and Israel, and also New Zealand since July 2002 (EEC-Reg. No 94/92****).

Therefore, by far the largest proportion of all imports from about a further 80 countries enters the EU by the provision of Article 11 (6), which gives the following instructions:

The individual importer has to send in an application to his competent authority and demonstrate that the products which he wants to import

- were manufactured according to *production rules equivalent* to those of the EEC-Regulation and

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* Starting 1. April 2003 some tasks, e.g. authorisation of importers will be taken over by the federal authority Bundesanstalt für Landwirtschaft und Ernährung BLE.

** Baden-Württemberg, located at the South-West of Germany near France and Switzerland, is one of the largest federal states with some 10 million inhabitants. It is number one in a ranking of federal states as to its number of organic operators and particularly organic processors, and has about 70,000 ha of organic acreage.

*** http://europa.eu.int/eur-lex/en/consleg/pdf/1991/en_1991R2092_do_001.pdf

**** http://europa.eu.int/eur-lex/en/consleg/pdf/1992/en_1992R0094_do_001.pdf

- were subject to *inspection measures* of *equivalent effectiveness* to those of the EEC-Regulation and
- that such inspection measures will be *permanently and effectively applied*.

The individual importer then receives a respective authorisation limited to those products, exporter and the certification body indicated in his application.

The term *equivalent* should be carefully noted; neither conformity nor identity is demanded, but equivalency. This explicitly avoids the claim or pretension to inadequate autocracy and gives room for the use of standards that are different but can be assessed as equivalent. The principle is thus to find harmonious solutions in a world of different standards.

The below table shows the number of such authorisations. More than 2100 import authorisations have been issued in all EU Member States in the 2 years 2000 and 2001. As the period of validity of an authorisation can vary however from a few months to several years, these figures can only give an impression of new or renewed import intentions for these two years. Nor do they reflect any information on economic volumes of the imports.

Origin of individually authorised imports into the EU (2000/01)

Country of Origin	**Authori-sations**	**Share**
Turkey	259	12%
United States	229	11%
China	177	8%
Canada	119	6%
Mexico	83	4%
Sri Lanka	82	4%
India	81	4%
South Africa	80	4%
Brazil	77	4%
Peru	63	3%
New Zealand	62	3%
Total 85 countries	*2142 autho-risations*	*100%*

Issue of authorisations by EU Member States (2000/01)

Member State	**Authori-sations**	**Share**
Netherlands	658	31%
Germany	551	26%
United Kingdom	405	19%
France	243	11%
Italy	88	4%
Belgium	62	3%
Denmark	37	2%
Austria	35	2%
Sweden	33	2%
Spain	21	1%
Finland	6	0%

As to the EU Member States issuing those authorisations, it can be seen from the above table that the Netherlands, Germany, the United Kingdom, and France together issue about 87% of these.

Moreover, the table below shows that the thirteen exporters' certification bodies most frequently named, account for approximately 56% of all authorisations in 2000/01.

Ranking	Certification Body	Authori-zations		Supervision
1	Ecocert, FR	513		EA/IAF accredited (Option 1)
2	IMO, CH	320		Supervision by Authority (Option 2)
3	BCS, DE	179		IOAS accredited (Option 3)
4	Skal, NL	179		
5	QAI, US	142		
6	INAC, DE	106		
7	IBD, BR	58		
8	CCOF, US	57		
9	BIO-GRO, NZ	51		
10	OCIA, US	48		
11	KRAV, SE	43		
12	OTCO, US	43		
13	FVO, US	39		

The Relationship between EEC-Regulation and IFOAM / Codex Alimentarius. Regarding the relationship of the EEC-Regulation as a regional standard and international standards like those of IFOAM and the Codex, it should be noted that the EEC-Regulation has been amended 30 times within the last ten years. The reasons for this are manifold:

- The scope of products has been (and shall be further) widened (animals, feedstuff);
- The credibility of the production scheme had to be strengthened, for example by eliminating weak points (risk assessment, fraud, etc.) or by reducing inconsistencies (copper, non-organic seeds);
- The question of fair competition between newcomers and older organic farms made an amendment of the rules on conversion times necessary.

Agreement on all these amendments was only be reached after intense preparations which needed a great deal of labour input. Unless an international standard can be amended at a comparable pace, it seems unwise to refer to it in a regulatory system.

The Relationship between EEC-Regulation and other regulatory systems. The relation of the EEC-Regulation to other regulatory systems differs from case to case. Problems in this context may be numerous but most have not yet been experienced.

Proposals for harmonisation. Until now, methods of smallholder group certification are not harmonised between certification bodies. Neither are they mentioned in regulatory systems. Meetings on smallholder certification, such as those organised before the BioFach Trade Fair in recent years, have proved to be effective in developing substantive proposals for respective evaluation methods. Authorities should support this process and prepare to include its results into own decisions, and if necessary into rules.

If the EU wants EU-organic products to be exported to countries with their own organic rules, it should also include EU exporters to these countries into its inspection system, thus regulating the interface with foreign law. This applies to other national rules as well.

Within the EU, a better harmonised practice of the Member State authorities in issuing authorisations for import should be secured, i.e. detailed guidelines concerning the implementation of Article 11 (6) should be agreed upon. This should be accompanied and supported by an intensified and continued exchange of experience between the respective Member State authorities.

The above proposals are rather short-term whereas the following ones could be realised within the mid-term:

The latest version of Annex III of the EEC-Regulation with inspection requirements (adopted in February 2002) mentions the necessity of risk assessment at the operator level. The same should be applied in the surveillance of the certification bodies, outside as well as within the EU. This should accordingly be taken into consideration in respective surveillance plans. Accreditors and authorities would thus be responsible for guaranteeing an adequate level of surveillance by certifiers in relation to turnover and risks.

Up to now, exchange of information concerning the results of surveillance between accreditors within or outside the EU and the EU-Food and Veterinary Office of Member State authorities has not been regulated. This hinders specifically adapted surveillance to safeguard fair competition between certifiers and should be overcome. Looking even further ahead, the participation of the EU as well as US, Japanese and other national representatives in international systems for conformity assessment in the organic sector might be anticipated.

OBSTACLES FACING DEVELOPING COUNTRY EXPORTS OF ORGANIC PRODUCTS TO DEVELOPED COUNTRY MARKETS

Sophia Twarog and René Vossenaar[*]

Rapid growth of organic markets in developed countries presents promising trading opportunities for developing countries. In addition to income generation, organic agriculture can offer an array of positive effects at home, related to natural resource conservation (improved soil fertility, reduced water erosion, enhanced biodiversity) and the social sphere (rural employment generation, lower urban migration, improved household nutrition, local food security, higher self-reliance). But to seize the opportunities, developing country organic producers and exporters must overcome a number of hurdles.

Worldwide, more than 140 countries produce certified organic food and beverages, including around 100 developing countries, of which about 20 are least developed countries.[**] Here some of the major constraints for increasing the production and export of organic products by developing countries are outlined. It is important that the special circumstances of developing countries be understood and taken into account when designing international systems and solutions.

General constraints for developing country agricultural exports

Many constraints are common to all developing country agricultural exports. For example, access to developed country markets is an important continuing problem. Developed country agricultural subsidies may be trade-distortive and undermine the competitiveness of products exported by developing countries. developing country producers, particularly smallholders, have limited access to information on regulatory requirements, quality factors, prices, demand, marketing practices and logistics in foreign markets. Access to financing has become increasingly difficult with the dismantling or downgrading of marketing boards in most developing countries, which traditionally provided rural credits. Commercial credit is unavailable to large parts of the farming sector, particularly smallholders. At the same time, financial needs are increasing because of increasingly stringent quality requirements and regulations and the rising importance of brand names, which require considerable

[*] The authors are employed by UNCTAD; however, the views expressed in this paper are those of the authors, and are not necessarily those of UNCTAD.

[**] Rudy Kortbech-Olesen, International Trade Centre, personal correspondence (2002).

marketing resources. Agricultural extensions services have been reduced in many developing countries because of budget exigencies. Adequate transport and storage facilities often are lacking. Finally, international freight costs tend to be higher for developing countries.

Constraints specific to organic agriculture

In addition to these general constraints, developing country producers and exporters of organic products also face an array of specific constraints relating to production, government policies and infrastructure, transport and handling, market information, and certification.

A major production constraint is the lack of technical know-how on organic production practices. In most developing countries, there are few trained professionals in this field. Government agricultural extension services do not generally include organic agriculture per se. Often, farmers interested in organic agriculture seek advice from international certifying agencies that operate in their countries, or from non-governmental organisations. Another problem area is the lack of organic production inputs. Some countries have reported difficulties in acquiring the necessary organic composting materials, biopesticides, and biofertilisers. Obtaining high quality seeds and planting materials also has been cited as a problem. There has been little research and development in developing countries on varieties and production methods best suited to organic agriculture. Securing the additional labour required for organic agriculture also has posed difficulties in some areas. In addition, the required conversion period can pose greater challenges for developing country producers, particularly smallholders, as they often do not have the financial reserves to easily see them through a season or two of reduced yields.

Organic agriculture in developing countries has generally developed outside the realm of public support. Many developing country governments have been hesitant to embrace organic agriculture. This is due to several factors, including:

- a lack of awareness of the full range of economic, environmental and social benefits that organic agriculture can offer;
- concerns about food security;
- the belief that organic agriculture will remain a niche market or that demand will not remain above supply;
- the perception that organic agriculture regulations in developed countries' markets may act as protectionist barriers to trade
- budgetary limitations.

Consequently, with a handful of notable exceptions, there is very little government support in developing countries for organic production and export. Most developing countries have no organic agriculture policy per se. Only a very few have developed organic agriculture legislation and regulations, and even fewer have set up accreditation and certification infrastructure. Most developing country governments do not provide technical assistance and advice, subsidies to help farmers during the conversion period, or support for R&D on organic agriculture. Few have been involved in raising awareness among farmers and consumers about the benefits of organic farming, or in facilitating the development of domestic markets. Marketing support also is limited.

However, an increasing number of developing country governments are very keen on organic agriculture, and some support measures are being developed (although subsidies are rarely used). For example, Costa Rica has a well-developed organic agriculture policy and programme and provides considerable technical, R&D, and marketing support. In addition, it has set up an accreditation and certification infrastructure. Organic production is an important component of the agricultural sector in the Dominican Republic, representing 20% of the value of agricultural exports in 1999 (ITC, 2001). In Cuba, organic agriculture is an integral part of agricultural policy. Argentina's regulations and infrastructure were of a high enough standard to be recognised by the EU as equivalent to its own. In 1999, the Tunisian Ministry of Agriculture allocated budgetary resources to provide subsidies to cover 30% of investments of organic farmers and 70% of certification costs over five years (Scialabba, 2000). In India, the National Programme for Organic Production provides an institutional mechanism for production and export of organic food products, and certain commodity boards have been active in promoting exports of organic spices, tea, and coffee. Some countries are now becoming more interested in light of low commodity prices. Uganda, for example, is targeting the US organic coffee market to raise earnings amid collapsing world prices.

As mentioned, physical infrastructure for transport and storage is lacking or deteriorating in many developing countries. Facilities for separate handling of organic products are even more limited. Moving up the value chain into processed organic products is often constrained by the absence of such facilities in developing countries.

Limited market information and channels can hamper exports of certified organic products. There have been several cases where certified products produced in developing countries had to be sold as conventional products.

For example, in Uganda during the 2000/2001 growing season, 80% of the organic cotton and sesame were sold as conventional (Waniala, 2001). In India, 75% of organic black pepper was sold as conventional in 1998-2000 (Jha, forthcoming). Thus, there is a need for improved information on organic markets and direct links with foreign buyers.

Certification and accreditation issues

Finally, a key challenge for developing country organic producers and exporters is certification. To sell products as organic, they must be certified as being in compliance with the importing country's regulations. Most of these regulations have been developed with local conditions in mind and with little or no room for input by developing countries. (The US, in developing its national standards, did have an Internet-based consultative process.) Full compliance with these can pose difficulties for developing countries with significantly different climatic conditions. Moreover, many retailers require certification to one of hundreds of different private standards. This imposes additional burdens on developing country producers.

Certification and accreditation infrastructure is lacking in most developing countries. Most developing country organic exports are certified by international certifying bodies. The high cost of certification is a major impediment to increasing certified organic production in developing countries.

There are several steps that could be taken to help reduce developing country certification costs. These include:

- assistance from donors and cost-sharing with developed country partners, an important option for least developed countries;
- training of local inspectors and other personnel who work for an international certification body operating in the country, which could involve a form of co-certification;
- development of an international system for harmonisation and equivalence;
- development of regional certification bodies.

For countries with relatively larger organic sectors the following are possibilities:

- development of national standards and a national accreditation and certification system;
- international accreditation of national certification bodies;
- negotiation of bilateral equivalency agreements.

For smallholders in developing countries, the cost of regular inspection and certification is simply unaffordable. Therefore, any developing country certification scheme should include the possibility of smallholder group certification (SGC). Over 25 certification bodies worldwide have systems to deal with SGC. However, differing approaches have made it difficult for one certifier to accept another's certification. This has sometimes led to costly multiple inspections and certifications.

To address this problem, a workshop on SGC* was held in February 2001 with the aim of achieving uniformity and mutual recognition. In accordance with the IFOAM criteria for SGC, participants agreed that when there is no annual inspection by an external certifier, there must be an Internal Control System (ICS). Participants agreed upon the definition of an ICS: 'a documented quality assurance system that allows the external certification body to delegate the annual inspection of individual group members to an identified body/unit within the certified operator'. They also agreed upon basic elements of an ICS (organisation of operator, quality of personnel, rules and procedures) and contents of external evaluation, whereby the certifying body confirms that the ICS is functioning properly. A follow-up workshop is planned to help certifiers harmonise their approach to SGC.

The EU Regulations do not explicitly provide for SGC. The requirement of one full inspection per year by an independent inspector may pose problems. In practice, different Member States treat SGC differently, causing uncertainty amongst producers. It could be good for developing countries if regulations in the EU, US, and other major markets included provisions for SGC based on ICS.

Import procedures – EU and US

Entry into the EU organic food market is governed by Council Regulation 2092/91. Art. 11, Par. 1 establishes a 'third country' list, indicating countries with whom equivalence is established. Only one of the six countries on the list, Argentina, is a developing country. Several other developing countries have applications pending.

Under Par. 6, organic products from countries that are not on the 'third country' list may be marketed in the EU, provided the importer submits documentation to confirm that the products are produced and certified

*This workshop was organised under the auspices of IFOAM and the Fairtrade Labelling Organisations (FLO) by Agro Eco and Novotrade of the Netherlands and Twin Trading of the United Kingdom. This paragraph is based upon information contained in van Elzakker and Schoenmakers (2001)

according to rules equivalent to those of the EU. This involves much more paperwork and delays and in some cases has led to lost customers. Over 70 developing countries export to the EU in this framework. With Commission Reg. No 1788/2001 (September 2001), these rules are tightening. From 1 July 2002 on, an *original* certificate of inspection must be submitted for *each consignment*.

According to a recent ITC/FAO study (ITC, 2001):

> In practice, the duration of the process to obtain an import permit can vary considerably. Some importers reported that it is a matter of weeks in some countries (e.g., the Netherlands), while it can take up to several months in other member states. In France, for example, some trade sources said that in the past it used to take up to six months to obtain an import permit. However, they said that there has been considerable progress recently, leading to a more reasonable time frame (generally not exceeding two months).

Marketing of robusta coffee from a successful project of EPOPA (Export Promotion of Organic Products from Africa) in Bushenyi, Uganda, was hampered by delays in obtaining import permits for the German market (see: *http://antenna.nl/agroeco/ projects/projects.htm*).

For many years in the US, different states had differing regulations for organic agriculture. In December 2000, the US adopted national standards, with a full implementation deadline of October 2002. From the developing country perspective, this should facilitate exporting into the US market.

Accreditation

In the EU, since July 1999 certification and inspection bodies must conform to the European standard EN 45011 or to ISO Guide 65. This disqualified a number of developing country certifiers (e.g., in Chile) that had been active in certifying exports to the EU. For non-EU and non-listed countries (including all developing countries except Argentina), the guarantee of conformity to EN 45011 must be provided by an official accreditation organisation. Most developing countries do not have such an entity. Were the EU to accept the IFOAM Accreditation System as equivalent to ISO 65, this could be quite beneficial for developing countries, several of which have IFOAM-accredited certifying bodies.

Under the US National Organic Program (NOP) Rule, certifying agents operating in foreign countries may apply for USDA accreditation. Otherwise a certifying agent may obtain USDA recognition in one of two ways: 1) when the USDA has determined, upon the request of a foreign

government, that the government's authorities are able to assess and accredit certifying agents as meeting the requirements of the NOP; or 2) when the USDA and the foreign government have negotiated an agreement under which the two countries' programs are regarded as equivalent. Several developing country certifying bodies, mainly in Latin America, have applied for USDA accreditation. (A complete list is given on *www.ams.usda.gov/nop*.)

Conclusion

As outlined above, actual and potential developing country producers and exporters of organic products face several important obstacles that hinder them from reaping the full economic, environmental, and social benefits that organic agriculture can offer. Several recommendations for overcoming these obstacles were elaborated at the UNCTAD Expert Meeting on 'Ways to Enhance the Production and Export Capacities of Developing Countries of Agriculture and Food Products, Including Niche Products, Such as Environmentally Preferable Products', held July 2001. The report of this meeting is available on the UNCTAD Web site (*www.unctad.org/en/special/c1em15do.htm*).

As stressed at the above Expert Meeting, the development of an international system for harmonisation, mutual recognition, and equivalence in organic agriculture would greatly enhance developing country production and export possibilities. The outcome of this conference and future work are therefore critical.

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THE PERSPECTIVE OF THE U.S. ORGANIC TRADE ASSOCIATION*

Joseph Smillie

Trade in organic products continues to grow on a global scale. At the same time traders complain about the technical regulations as trade barriers and that the "burden" of multiple certification and lack of reciprocity causes great damage when it is excessive and inconsistent. The traders' message is loud and clear: rationalise the "burden" – international certification requirements, whether private sector or public sector, should be clear, consistent and cost-effective. Right now the traders are faced with inconsistencies at every turn. Shel Weinberg, a member of the OTA's International Relations Committee, has commented in his case study included in the conference reader, that "the globalisation of certification requirements must accompany the globalisation of the organic trade."

In Japan, for instance, the government regulation has not been clear and the trade is subject to certification organisation interpretations and with little reciprocity between certifiers. In addition, the private sector wants to maintain control over the marketplace and often requires redundant certifications in order for the JAS seal to be placed on products. In the European Union, the situation is not any better although Regulation (EEC) No 2092/91 – and its many amendments – has been in force since 1993. The US trade had naively believed that there would be one rule for the whole of the European Union. The EU regulation does not control the interpretation of Regulation No 2092/91 applied by its individual states. For instance in Germany, 16 different "Bundesländer" (states) control the interpretation of 2092/91 which can vary dramatically.

Now the EC 1788/2001 customs regulation is striking fear in the hearts of traders, especially fresh produce exporters whose products cannot wait on the dock for original documentation to arrive for approval by customs agents who are not familiar with the organic system. The private sector additional requirements, namely the demand for IFOAM accreditation, are yet another layer of barriers to selling products in the EU. Especially difficult is the retailer demand, in some countries, for private sector accreditation of certification organisations to a private sector standard that does not guarantee reciprocity between certifiers.

But trade in organic products will go on. After all, humans have an instinct for trading and there are ways to get the needs of multi-ingredient product manufacturers through different back doors. The longer there is not harmonisation, the more expertise traders will gain in back door tactics and that is a situation that is not good for the organic industry nor for the

consumer of organic products. What can be done? OTA's strategy is to have a two-track approach; one, work with the government to negotiate equivalency agreements. For instance, OTA's International Relations Committee served as advisors to the USDA Foreign Agriculture Service in securing the limited one-way equivalency agreement with Japan. And the second track is to maintain a strong private sector standard.

In 1999, OTA once again took up the challenge of codifying the US industry's position on organic production and handling standards. The result – OTA's American Organic Standard – represents not only a strong private sector standard but also the unique US cultural ethos. OTA then approached IFOAM with the proposition that it was time for IFOAM to get serious about recognising regional standards as a component of the IFOAM Basic Standards and the International Organic Accreditation Service system. OTA submitted the American Organic Standard for approval within the IFOAM system. Great strides have been made in the last year with the expectation that after the General Assembly in August 2002, the IFOAM Basic Standard will be significantly closer to incorporating regional standards and the private sector will be significantly closer to harmonisation.

This two-track approach – removing trade barriers in both the public and private sector – should deliver to US traders the clear, consistent and cost-effective organic guarantee system that they expect, and also deliver to consumers the integrity of the organic guarantee that they expect. A meeting like the IFOAM Conference on Organic Guarantee Systems is an excellent first step to bring harmonisation within the government and within the private sector and eventually between the two.

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[*] The Organic Food Production Organization (OFPANA) was formed in 1985 to represent the US and Canadian organic industry in trade promotion and protection and to provide a unified voice to the public, government and the press. OFPANA produced the first North American industry guidelines for organic production in 1987 and was an early vocal advocate for third-party certification as the guarantee of the organic claim. In 1989 OFPANA joined a coalition of industry, environmental and consumer organisations that proposed to the US government a national law codifying organic production standards and third-party certification. The US Organic Foods Production Act of 1990 was approved by Congress and signed by President George Bush (Sr.). For the past 12 years OTA has persistently lobbied for the promulgation of regulations to implement this law and has been a watchdog of the USDA regarding their interpretation of organic production, labelling and accreditation of certifiers. One of the key reasons for OTA's support for a federal law and regulation is to reduce both the domestic and international barriers to trade that exist because of different organic standards. And until very recently the prospects of the private sector harmonising its systems seemed very unlikely.

EXPERIENCE OF A US ORGANIC EXPORTER IN COMPLYING WITH THE JAPAN AGRICULTURAL STANDARD (JAS)

Sheldon Weinberg

Cascadian Farm (now part of Small Planet Foods) was one of the first US companies to offer certified organic products in Japan, beginning in 1988. This trade has grown steadily since then.

In the US during the late 1980s, as the fledgling US organic industry began to professionalise, an inadequate system of self-certification was prevalent. Industry leaders, recognising mounting concerns regarding consistency, verification, and consumer trust, began to insist upon independent third-party certification. In 1986 Oregon Tilth, one of the pioneering third-party certifiers in the US, achieved a milestone by publishing one of the first comprehensive organic production standards.

At the time, Japanese organic rules recognised five separate levels of pesticide and fertiliser application. These rules were ambiguous, poorly understood, and laxly enforced. They remain in effect in Japan today.

On our own initiative and at our own cost, Cascadian Farm took the unprecedented step of translating the Oregon Tilth Organic Standards into Japanese. Our purpose was to illustrate how our products were produced according to a clearly defined process standard, with an audit trail and independent oversight. After countless seminars entitled 'What is Organic?', our customers began to embrace the concept of third-party certification. This concept, in contrast to the rather vague Japanese regulations, was adopted by the Japanese organic foods industry. During the 1990s, third-party 'American style' certification became the *de facto* norm in Japan. The verifiable integrity of our US certification seals was an important confidence factor in the growth of the organic industry in Japan during that decade.

The year 2000 brought changes and challenges. Early in 2000, Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF) enacted the Japan Agricultural Standard (JAS). Henceforth, organic products sold in Japan would need to bear the JAS seal. Certification schemes and seals on which the industry was built would no longer be accepted. Products sold as organic for ten years could no longer be traded. Customers cancelled orders. The continuation of our business was threatened.

At that time, Small Planet Foods had eight processing facilities producing 32 organic Stock Keeping Units labelled in Japanese. To save our business we were faced with numerous challenges. Our first challenge, to

understand the new Japanese rules, was no simple task, as no translation into English was available. We came to understand that the JAS rules took a fundamentally different approach from those of the US and EU.

Western-style certification standards define the process of organic production and handling. They require use of only approved organic methods and materials in agricultural production. Then, as the product moves downstream toward the consumer, it is tracked to assure that organic integrity is not compromised in any way. All this is managed with the oversight of an independent third-party certifier who ensures these standards are followed.

In contrast, the JAS rules focus on the moment in which the JAS seal is affixed to the product and on the qualifications of the official 'Grading Manager' responsible for reviewing the audit trail and thus ensuring JAS compliance. We learned that to use the now-required JAS seal, we would need to recertify all facilities to the JAS, at a cost of tens of thousands of dollars in the first year. For each plant we would need to qualify, train, and appoint a Grading Manager. Furthermore, we were required to develop a redundant standard operating procedure and grading report for each facility so that our existing audit trail could be recognised as JAS-compliant. Additional costs were incurred in producing a new label for each of our products, and the waste of non-compliant labels.

Beyond these hard costs, the substantial drain in human resources and management focus proved nearly prohibitive, especially in conjunction with an extremely tight compliance deadline. We were forced to drop several new product initiatives as being too costly to certify under JAS. Yet, through our perseverance we have now fully complied with JAS rules, and our products bear the JAS seal. Nonetheless, in this process our trade was interrupted, which resulted in lost sales.

Even after all this investment, the future of our Japanese organic trade remains uncertain. According to MAFF, a new higher level of compliance will be required beginning 1 April 2002. Our costs and labour would multiply 3- to 5-fold, and to control those costs we would have to offer fewer products. These additional requirements would mean establishing a fully redundant administrative infrastructure that, in our view, would add absolutely no value in guaranteeing organic integrity.

Unless there is a breakthrough in equivalence, we face a serious decision regarding the ongoing viability of our Japanese business. Won't it be ironic if the US companies that pioneered and nurtured the Japanese organic market over the past decade are prevented from participating in that market in the future?

A RETAILER'S EXPERIENCE WITH THE ORGANIC MARKET

Robert Duxbury

The British retailer Sainsbury's* started to sell organic products 17 years ago and, particularly over the last few years, it has developed an impressive organic range. Since 1996, Sainsbury's sales of organic products have increased fortyfold to over £4 million per week this year. Over 1,300 organic lines are sold and Sainsbury's market share is estimated to be around 25 per cent of a total UK market estimated to be worth about £800 million per annum, predicted to reach £1 billion by 2003 next year. Sainsbury's buys all of its organic food from about 100 UK based suppliers who source products from both UK and abroad.

The integrity of organic food is essential if it is to become a sustainable business in the long term driven by consumers' needs. Consumers rely on a retailer's integrity to ensure the food they buy is safe, legally compliant and actually tastes good as well. This is even more critical in the organic food sector where trust is heightened through the customers' aspirations and their reasons for choosing organic instead of conventional.

It is not so clear how many customers actually know a lot about the organic food they buy, other than they have perceptions and specific reasons for justifying the higher price they have to pay for it. It is, however, sure that they see the certification symbol as a guarantee for the integrity of an organic product and that they are interested that, wherever the organic product is from, it has been produced to an equivalent standard.

In acknowledgement of these perceived values, Sainsbury's has put together some very fundamental policies for its organic food category. The key policies are for sourcing, price and integrity.

The first key plank in Sainsbury's policy structure is that of sourcing and the commitment to obtain more British produced organic food. A big issue is the amount of imported organic food which British consumers have to buy – currently estimated to be 70%. However, there is evidence to show that the level of imports used by the Sainsbury's supply chain is 10% less

* J Sainsbury plc is one of the largest retailers in the world with a turnover of £18 billion per year. Each week over ten million customers shop in more than 440 Sainsbury's stores throughout the UK. Sainsbury's sources products from over 2,000 suppliers who provide some 12,000 food and 9,000 non-food lines. In value terms, Sainsbury's sells about £120 million worth of British food and drink each week with its 138,000 employees.

than the sector standard and it is intended to reduce it by a further 15% over the next 2 years to achieve 45%. The policy ensures that more British produced organic food will be available to the customers. For example, many organic dairy and meat lines are already British. Buying more home grown organic food also deals with the harmonisation issue at the grass roots – to simplify the supply chain and avoid the complication of equivalency issues.

The second key policy is price. It is clear that price is a key reason for most consumers *not* to buy organic food. In the UK just 7% of consumers are responsible for about 65% of all the organic food sold. Other retailers have declared that they will sell their products at the same price as conventional. However, Sainsbury's policy is that customers should be aware of the true cost of organic food production and will not take any additional margin, nor artificially subsidise organic food sales in its stores.

This point about price is vitally important because it is so critical to the sustainability of the organic market. As new market entrants are flocking to the organic sector, the risks to integrity are becoming heightened and the temptation to misrepresent or even resort to fraudulent trade becomes greater. Other ways of justifying the extra cost of organic food have to be found, and those ways relate to choice and integrity. Further constraints and checks into the organic market, in addition to the already comprehensive standards and inspection criteria, will be necessary to further protect and enhance integrity.

The third area of policy ties the notion of integrity to the harmonisation issue. Sainsbury's announced at the IFOAM conference in Basel that all its own label suppliers would be required to only seek certification of their products by IFOAM accredited inspection bodies (ACB's). This requirement places the additional constraint, mentioned above, into the system and becomes a further check on integrity. It provides the *potential* for a cohesive platform from which Sainsbury's and its suppliers can select with greater confidence a truly international and harmonised guarantee system. Until the end of this year the evaluation of about 40 Sainsbury's own label organic lines will help in deciding whether to get suppliers to switch to an ACB, encourage the existing certifier to become an ACB or delist the line. One UK certifier, OF&G has taken up the challenge and currently is being evaluated by the IOAS. We also have the choice of another new UK certifier, ICS/FVO, who are already IFOAM accredited.

In order to make this initiative work, it actually needs a critical mass of both trade members and certifiers. To date, Co-op and ICA in Sweden and more recently the Co-op in the UK have declared the same requirement. Also BNN Grosshandel has taken a similar position. But there is more that the ACB's need to be doing. They must make the multi-lateral agreement (MLA) work, they must be prepared to put effort into determination of standards equivalence. They must also be prepared to accept a majority situation in terms of standards decisions, which can be difficult in what has become known as the certification market.

The need for one certifier to differentiate itself from another is not appreciated by consumers, who expect harmonisation and the equivalency of organic production from wherever in the world their organic food originates. Therefore the claim by some certifiers to have higher, or even 'better' standards than others becomes divisive to the organic sector. Indeed disharmony gives the critics more ammunition with which to publicise negative stories about organic food.

It is also important to consider the economic implications of harmonisation. It actually saves money if everyone works to the same standard, whereas if standards are used as competitive instruments (or ever barriers to trade) the expense of equivalence demonstration rises and it becomes less easy to identify true costs.

At the end of the day, organic might be seen by some as another type of assurance scheme – in a sense the same as the British Red Tractor initiative or the Eurep GAP scheme. The guarantee system that backs these schemes up has to be verifiable and harmonious and supermarkets around the world are engaging more directly in these schemes because our customers are asking more questions.

With this in mind, the organic sector needs to maintain that clear blue water between itself and conventional production – not least as conventional food production cleans up its act. Harmonisation of the organic movement will provide the strength to maintain that clarity and demonstrate to consumers the real value of the organic products they are buying.

CONCLUSIONS OF THE IFOAM CONFERENCE ON ORGANIC GUARANTEE SYSTEMS

1. Organisation of the Conference

The Conference on International Harmonisation and Equivalence in Organic Agriculture, held in Nuremberg, Germany, 18-19 February 2002, followed the IFOAM Basic Standards Day, held on 17 February 2002 and BioFach (the largest organic trade fair in the world), 13-16 February 2002. The Conference was organised by the International Federation of Organic Agriculture Movements (IFOAM), in cooperation with the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Conference on Trade and Development (UNCTAD).

This event was the first of its kind, one where the partnership between the private organic community and United Nations institutions offered a forum for public and private discussions. The Conference was attended by 210 participants from 52 countries, including 42 government representatives, producers, certifiers, accreditors, traders, retailers and consumers involved in organic agriculture. The participation of several experts from developing countries was made possible by the generous support of UNCTAD, CTA (Centre Technique de Coopération Agricole et Rurale), Hivos, the Dutch Government (DGIS) and the IFOAM I-GO programme. For a full list of participants contact the IFOAM Head Office.

The Conference was opened by Gunnar Rundgren, President of IFOAM. The first day of the Conference was chaired by Nadia El-Hage Scialabba, FAO and the second day was chaired by René Vossenaar, UNCTAD. David Crucefix, IOAS, was appointed as Rapporteur.

The first day of the Conference was mainly devoted to two Panel discussions on, respectively, practical experiences and regulatory scenes. This offered first hand information on the problems surrounding the organic guarantee systems, involving both responsible government officials and private sector bodies. The day was concluded with three Roundtables on:

- Constraints for small/disadvantaged producers in developing countries;
- International vs. national/local standards;
- National vs. international accreditation.

The second day reviewed mechanisms for equivalency and mutual recognition agreements. This was followed by three further Roundtables on:

- Structures for regulation and certification in developing countries;
- Mechanisms for equivalence between private sector regulations;
- Division of roles between public and private sectors.

Most of the expert presentations were made available to participants through a Conference Reader. Roundtable discussions were presented in the plenary session. The Conference concluded with a summary, by the Rapporteur, of the main recommendations and follow-up action for achieving greater harmonisation and equivalence in organic agriculture.

The Conference Agenda and Timetable can be found in the online version of the conclusions (see *www.ifoam.org*).

2. Purpose and objectives of the Conference

Organic standards and certification systems were developed at a time when "organic" was a small, barely significant niche sector. Increasingly, the plethora of certification requirements and regulations are considered to be a major obstacle for a continuous and rapid development of the organic sector, especially for producers in developing countries. The organic market is confronted with hundreds of private sector standards and governmental regulations, two international standards for organic agriculture (Codex Alimentarius Commission and IFOAM) and a number of accreditation systems. Lack of co-operation and "harmony" is a central problem.

The aims of the Conference were to:

- Bring clarity to the current situation;
- Identify and recommend models for interaction between the public and private sectors in the field of organic standards, conformity assessment (certification) and accreditation;
- Develop a common understanding of the proper division of roles and duties between the public sector, the private sector and non-governmental organisations (NGOs);
- Initiate the development of a constructive and effective partnership between the private and the public sector.

3. Overview of problems and needs

3.1. Organic agriculture regulations are proliferating

During the Conference, a survey by the International Organic Accreditation Service (IOAS) on national regulations was presented. This showed that 56 countries are at some stage of regulating the organic sector: of these, 32 countries have fully implemented regulations; 9 countries have regulations but which are not yet fully implemented; and 15 countries have draft regulations. Differences between the scope of regulations and variations in their implementation raises a number of concerns, namely:

- Import discrimination whereby compliance is required with standards not always suitable to the agro-ecological conditions of exporting countries;
- Multiple accreditation of certification bodies in order to access the three main organic agriculture markets (Europe, Japan and USA);
- Difficulties for traders, due to different interpretation of rules by certification bodies;
- Enormous workload (and delays) for authorities in negotiating bilateral equivalency;
- Limitation of bilateral agreements for products with ingredients sourced from around the globe;
- Lack of recognition, by national regulations, of private multi-lateral agreements such as IFOAM Accredited Certification Bodies.

3.2. The organic guarantee system is costly

Many participants, from both developed and developing countries were of the view that costs at all stages of the conformity assessment system were a major obstacle for accessing organic certification and markets. High costs were identified for:

- Implementation of the necessary technical requirements by the operator;
- Certification in general and, in particular, multiple certification and foreign certification in developing countries;
- Implementation of different regulatory systems;
- National and international (i.e. IFOAM) accreditation.

3.3. All systems have strengths and weaknesses

Different presentations highlighted the advantages and disadvantages of private and public sector organic conformity systems, and the legitimate concerns of both systems, in particular:

- Public and private sector criteria are not always compatible: for example, there is discrepancy between confidentiality of private certifiers and the open access policy of governments.
- Governments were challenged for procedures that are discriminatory and not transparent: governments referred to their responsibilities towards their citizens in prevention and detection of fraud.
- Private certification bodies were also challenged for not accepting each other, even when accredited under the same system: IFOAM Accredited certification bodies mentioned that they had made substantial progress towards mutual recognition.
- Representatives of producers and trade felt that they have to carry the burden of legal requirements of different countries as well as private sector standards, certification and accreditation requirements: many requirements remain unnecessary obstacles, rather than additional quality assurance.

Participants unanimously agreed that the organic guarantee system could be further improved through collaboration in order to reduce administrative burdens and costs. Protection of the integrity of the organic claim and diversity in organic agriculture can be achieved by establishing equivalence (and hence, mutual acceptance) between different systems.

4. Conference results

4.1. Models and mechanisms for harmonisation and equivalence

The Conference explored the different models that are, or could, be available for the establishment of equivalence in organic agriculture, namely:

- Codex Alimentarius Commission guidelines for Organic Foods as well as guidance documents on Food Import and Export Inspection and Certification Systems, including the guidelines in preparation on the Judgement of Equivalence of Technical Regulations Associated with Food Inspection and Certification Systems provide technical reference points to preventing and resolving trade disputes. The Codex Alimentarius model can facilitate negotiations around inter-governmentally agreed standards and mechanisms for harmonisation and equivalency;

- The International Organic Accreditation Service provides for multi-lateral agreements between IFOAM Accredited certifiers through: recognition of functional equivalence (on the basis of the IFOAM International Basic Standards) and bilateral acceptance between two certification bodies (based on products and bilateral additional requirements);
- UN/ECE model, with its Common Regulatory Objective, international standards to be referenced and conformity assessment procedures provides a possible framework for the establishment of equivalence.

International standards, such as the Codex Alimentarius Guidelines for Organic Foods and IFOAM Basic Standards are in line with the Technical Barriers to Trade (TBT) agreement of the World Trade Organization (WTO). While the WTO does regulate international trade, it does not provide any mechanism for the establishment of equivalence. There is also no mechanism within the WTO for the approval of international standards or international standardising organisations. Participants agreed that it was preferable that any trade dispute be prevented (long before it reaches the WTO for settlement) by the development of an operating system that facilitates trade (rather than being limited to the scope of the TBT, i.e., to restricting undue barriers to trade).

Models developed by major importing countries, in particular the European Union and USA, were described and analysed by various representatives. It was clarified that on a bilateral basis, equivalency was granted where exporting country or certification body standards complied with import country standards. The exact understanding of "equivalency" varied and equivalence between different systems was not yet a reality. It was noted that it is difficult for developing countries to negotiate bilateral recognition agreements because there are often no regulations and certification infrastructure in place. Also importing countries are less interested in investing resources in negotiating such agreements with smaller countries. At present, countries have to use other options for acceptance of imports/market access. Such options include, but are not limited, to:

- Direct government accreditation of foreign certification bodies (e.g. United States Department of Agriculture);
- Import approval based on importer application to competent authority based on a system of supervision (EC Reg. 2092/91, Article 11.6);
- Various solutions based on certification from the importing country or co-operation between certification bodies with different levels of oversight by governments (e.g. Japan).

4.2. Special considerations for small holders and developing countries

There are a number of issues that pose problems for smallholders, especially those in developing countries. On the production level organic farmers face the same problems as conventional farmers such as insecure land tenure, and poor infrastructure. In addition there is little knowledge about organic agriculture practices. Government policies and programmes are often unfavourable to organic farming. Domestic organic markets are underdeveloped and the lack of market information results in long trade chains eroding profit margins for farmers.

In terms of the focus of this conference the following issues were identified as problematic:

- lack of acceptance of, or provision for, group certification;
- high costs of certification;
- frequent lack of organic standards and regulatory capacity;
- multiple certification arising from regulatory or market requirements.

It was also pointed out that when developing countries do develop standards and regulations these are often copies of importing markets standards, and do not adequately reflect local needs and conditions. In general, information is needed on all levels from production to markets.

The relevance of group certification schemes for smallholders, based on the concept of Internal Control Systems (ICS), was stressed, more specifically:

- Certification bodies should harmonise their approach to ICS;
- ICS should be recognised by import regulations;
- Governments and international organisations should support training for operators wishing to implement ICS;
- IFOAM was invited to develop a position paper on smallholder issues.

Participants commended IFOAM for its efforts to harmonise certifiers and authorities' approaches to Internal Control Systems by organising two special workshops on the topic. The development of local certification organisations and the acceptance of ICS are obvious solutions to some cost problems.

4.3. A call for public-private cooperation for international accreditation

National accreditation of certification bodies provides legal authority and ensures credibility. Each country/region, however, has different accreditation systems, which result in high costs and complexity at the international level. International accreditation offers one system of implementation and clear reciprocity. The existing international accreditation system (i.e. IOAS), however, is a private effort, which is not trusted by governments, and still suffers from a lack of mutual recognition among accredited certifiers.

There was wide agreement that communication and cooperation between governments and private sector institutions should be improved. Many participants called for governments to accept the use of the IFOAM organic guarantee system as a whole, or parts of it, for establishing equivalence.

Recommendations made for improving interaction between the IFOAM organic guarantee system and governments included:

- Certification bodies should be flexible in their requirements for equivalence (i.e., additional requirements for multi-lateral agreements);
- Certification bodies and accreditors should cooperate to reduce costs, including the development of special accreditation systems (e.g., ICS);
- The IOAS should be used as service provider to governments;
- Governments were invited to explore and participate in criteria development of the IFOAM's organic guarantee system (e.g. representation in IOAS Board and Standards Committee) in order to bring mutual trust and confidence;
- IFOAM could encourage governments to develop a policy on accreditation and open its accreditation criteria to government needs;
- Governments with concerns over the IFOAM organic guarantee system could propose ways to improve it, rather than rejecting it.

4.4. Role of regulations and private standards

The impact of mandatory regulations on import/export flows and on private standards and certification at the national level were discussed. Some were of the view that national regulations limited the application of private voluntary standards, which have evolved over the past decades in accordance with the needs of the organic agriculture community.

There was no consensus on the degree of government involvement to regulate the organic sector. Some participants expressed strong objections to government regulation, while others found government regulations to be the best safeguard of the interests both of the sector and the consumers.

There was general agreement on the following:

- Governments should have clear objectives for what they want to achieve before developing norms because the type and level of regulation will depend on these objectives;
- Government involvement should be predicated on coherent public policy supporting organic agriculture;
- Mandatory rules are not the only answer for ensuring safe and equitable markets and other options should be explored (e.g., voluntary regulations) before developing a regulatory framework for organic agriculture;
- Governments should provide all-encompassing regulation which ensures broad stakeholders' input in regulatory development process, reference to private sector standards, verification of private certification and appropriate accreditation system;
- Government regulations should concentrate on essential requirements (e.g., health protection, fraud prevention) and leave to the private sector the task of setting detailed standards;
- Whatever model is adopted, it is essential that the organic sector be given voice and choice on the most appropriate standards. The value of any regulatory system ultimately relates to its usefulness to organic producers, traders and consumers.

5. Conclusions and follow-up action

The main achievement of the Conference was the establishment of a dialogue between the public and private sectors. Government representatives recognised and welcomed IFOAM's initiative to start this dialogue. IFOAM indicated willingness to allow for more government involvement in its organic guarantee system.

All participants welcomed the increased participation from developing countries and the due consideration of their specific needs. With a view to equitably sharing the benefits of the organic industry, including small farmers and disadvantaged producers, equivalency based on commonly agreed international standards is key to the continued development of organic agriculture.

There was consensus that this initiative needs to be followed up by various actions to develop options for international equivalency, namely:

- A Press Release immediately after the Conference will be prepared and disseminated to the wide public;
- A comprehensive Conference Report will be produced and shared, among others, with FAO and UNCTAD member governments;
- A follow-up Conference on Equivalency should be foreseen, possibly in 2003, in conjunction with BioFach;
- A multi-stakeholder Task Force composed of representatives of Governments, FAO, UNCTAD and IFOAM should be established in order to elaborate practical proposals and solutions.[*]

The idea of the Task Force was accepted by representatives of FAO, UNCTAD and IFOAM as well as some government representatives and most stakeholder representatives.

Trust cannot be regulated, it must be earned.

[*] Meanwhile the Task Force has been established, and is holding a first meeting in February 2003. For more information contact the IFOAM Head Office.

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IFOAM Publications

IFOAM Norms -IFOAM Basic Standards + IFOAM Accreditation Criteria
2002, (English) 144 Pages, 19 Euro

Cultivating Communities - Proceedings from14th Organic World Congress
IFOAM/COG 2002, 328 pages, 20 Euro

The World grows Organic - Video
IFOAM 2002, 30 minutes, 19 Euro

The World of Organic Agriculture – Statistics and Future Prospects
2003, 128 pages, 16 Euro

Genetic engineering versus organic farming
2002, 20 pages, 4 Euro

Organic Agriculture Worldwide 2003: Directory of IFOAM Members
2002, 72 pages, 16 Euro

Bio Mercado Perú - oferta y demanda de productos ecológicos
Ecológica 2002, 210 pages, 5 Euro

Riesgos transgénicos para la salud humana
77 pages, 10 Euro

International Organic Inspection Manual**,**
IFOAM/IOIA, 2000 (Spanish, English, French only on CD), 264 pages, 63 Euro

Dossier 1: Organic Agriculture & Food Security
IFOAM 2002, 20 pages, 9 Euro

Dossier 2: Organic Agriculture & Biodiversity
IFOAM 2002, 20 pages, 9 Euro

EU-USDA - Organic Regulations Comparison
(as CD Rom) IFOAM/IOAS, 488 pages, 28 Euro

Greenpeace Study – Organic and agroecological farming in the South
2002, 147 pages, 12 Euro

The World Grows Organic
Proceedings from Scientific Conference 2000, 763 pages, 24 Euro

IFOAM Accreditation Programme Operating Manual
28 pages, 11.50 Euro

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6th IFOAM Trade Conference 1999, *395 pages*, 24 Euro

Quality Control Manual: *Organic Production in Small Farmer's Associations*
2000, English, German, Spanish, 39 pages, 33 Euro

ITC Report Organic Food and Beverages: World Supply and Major European Markets
1999, English, Spanish or French, 271 pages, 70 Euro

The relationship between nature conservation, biodiversity and organic agriculture, *2000 by IUCN, WWF, IFOAM, 224 pages,* 14 Euro

Organic Agriculture: The credible Solution for the 21st century
Proceedings from Scientific Conference 1998, 267 pages, 24.50 Euro

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