ADVISORY GROUP ON ORGANIC FARMING

<u>Draft Minutes from AGOF meeting September 13th, 2012 from 9:30 hrs to 17:00 hrs,</u> <u>Rue de la Loi 130, 11th floor, room A, 1049 Brussels</u>

Version 07.11.2012

1. Adoption of the agenda and of the minutes of the last meeting of the Advisory Group on Organic Farming (12/06/12)

- Minutes of previous meeting were accepted without change. On actions in drafts of those minutes, COM confirmed that they cannot accept actions given from AGOF. Chair will discuss the correct wording for recommendations from AGOF for the minutes.

1.1) Outstanding Items

Correction regarding household waste compost in revision of Annex I was a mistake and COM intend to amend it in the final version.

2. Review of EU organic policy and legal framework

2.1) State of play of the external ex-post evaluation of the EU legislation on organic farming

COM: The main objective of the evaluation is to examine the relevance and effectiveness of Council Regulation (EC) No 834/2007 and its implementing rules in achieving the objectives laid down in this regulation. Changes since 1/1/2009 will be compared with a period before then. All MS will be covered but some in more detail. The evaluation will examine the current scope, rules, controls and imports including equivalence. It also includes consumer perception and knowledge of organic farming, especially the logo. It will include consideration of whether the regulation was simplified compared to the previous legal framework. A summary theme will be about the European value added and overall development of the organic sector. Evaluation will last for 10 months and report is expected to be published in the third quarter of 2013. External contract is be awarded to German von Thünen-Institut. COM asks all to collaborate with contractors if requested.

2.2) Impact Assessment on future political and legal framework for EU organic agriculture

- Overall context and state of play of procedure
- Thematic expert hearings scheduled for September, October and November 2012:
- 27th and 28th Sept. on Internal market and standards.
- 25th and 26th Oct. on controls
- 20th and 21st Nov. on Trade and International aspects.

Experts will be invited. Producer input is weak at present, COM aims to invite more farmers from different regions. Other experts include researchers, traders, processors, animal welfare, climate change and control and certification experts.

The assessment will collect data and statistics. Initial reports on and discussions of the outcome of the process will take place including at the enlarged AGOF meeting on Monday 10th Dec. 2012. This meeting will include those invited to present to hearings.

- Next steps in 2013.

COM: Changes to regulation must be accompanied by an impact assessment. An inter-service steering group has been establieshed including all relevant DGs (first meeting took place before summer).

The impact assessment report must be approved before the legislative procedure can be launched. The report is expected by expected by Jan 2013 and will be followed by consultation. COM hopes for constructive advice and input. The EU organic action plan from 2004 will be re-examined and new strategy document prepared.

Questions

- a. COPA-COGECA. COPA-COGECA offered assistance finding producers. Will it be possible to give farmers who don't speak English chance to contribute?
- b. IFOAM EU. Is COM aware of the timescale for parliamentary discussion on the report of COM to Council and Parliament? Will the names of experts be published?
- c. Fairtrade. Welcomes opportunity for farmers to contribute, but would like an opportunity for farmers from third countries.
- d. Finland: They are a Finish producer group so could help to provide farmers. Also would it be possible to provide an internet route for this consultation?

Responses from COM

- a. They have contacted COPA- COGECA, and want wider geographical cover. COM has no budget to pay even travel costs. Translation will be very limited.
- b. No news on when it will go to parliament. COM envisaged publishing organisation names, but will only publish individual names if they give permission.
- c. COM already contacted colleagues from DG trade. They made suggestions for invitation to the hearing on international trade for representatives from coffee & chocolate producers. The theme of the first hearing is internal EU production, international issues will be considered at the third hearing.
- d. COM will consider internet submissions.
- 3. Presentation of the IFOAM position and concept on modification of the EU organic legal framework for improving the environmental performance (moved after point 4)
- 4. Commission and SCOF work
- 4.1) Working document on Annexes I, II and Article 21 Regulation (EC) No 889/2008

A working paper of 28/06/2012 related to the revision of Annex I and II was presented to AGOF. Feedback is requested from MS and AGOF. The working paper is based on the EGTOP report on fertilisers and plant protection products, which is available on the Commission website (www.organic-farming.eu).

Questions

IFOAM EU. Expressed concern regarding the wording in the definition of factory farming,

particularly regarding use of veterinary medicines not authorised in organic production, this definition is not appropriate as there are several categories of veterinary medicines. Feed manufacturers UK. Agree with IFOAM EU. Care is needed not to upset many non-intensive conventional farmers.

COPA-COGECA. Also concerned over definition, especially due to translation concerns.

COM Response

The COM recalled that MS and stakeholders are frequently asking for a definition of factory farming. Such definition on factory farming is given in the CODEX GL 32, which serves as a baseline for equivalence agreements in the case of trade. COM is however grateful for feedback including concrete alternative proposals if any .

4.2) Registration of organic pesticides and Regulation 1107/2009 on placing of plant protection products on the market

Annex II pesticides. EGTOP gave new proposals for substances to be added to Annex II. Plant protection products are under the scope of Regulation 1107/2009 and must be authorised to be placed on the market and used, the active substances which are contained in such products must be approved at EU level.

DGSANCO is responsible for the approval of active substances. A colleague of SANCO Patrizia Pitton gave an update on the substances which are of interest for organic sector. Some microorganisms and pyrethrins are at present under EFSA review which is going to be finalised by 31 December 2012. However, as they were approved by the Commission under Regulation 2229/2004 on the basis of criteria for clear indication of no harmful effects, it is unlikely that they must be removed Other substances such as rotenone within the review carried out in the past years had to be withdrawn due to concerns and lack of data.

Among the substances listed in Annex II of organic regulation there are still some substances to be discussed, particularly Calcium Hydroxide, $(Ca(OH)_2)$ and Quassia etc. which are at present not approved under Regulation 1107/2009 but for which an application as basic substances has been submitted and they are currently under evaluation .

These should be withdrawn because of article 16 of Council Regulation (EC) No 834/2007 and as no dossiers were submitted.

To clarify the conditions for the new category of basic substances: the new regulation Reg. (EC) No 1107/2009 introduces such category of substances which are already on the market for other purposes than plant protection products but which can have a certain effect in plant protection, they can be approved through a simplified procedure, when proved not showing any environmental or health concern. Once approved as basic substances, products containing only such substances in a simple solvent, shall not require any authorisation and will be allowed to be used in agriculture. Under such category the substances Quassia and Calcium hydroxide could fall as they are in traditional use and available to farmers but in any case they have to be assessed not to have environmental or health concerns. The regulation allows simplified evaluation and set certain criteria for the approval of these substances. DG SANCO is currently defining the procedure for evaluation of applications received . In particular, two applications have been recently received prepared by IFOAM EU on Ca(OH)₂ or Quassia. COM cannot confirm that Ca(OH)₂ or Quassia will be finally approved as basic substances as the outcomes of evaluation and regulatory procedure cannot be anticipated .

Finally, to reply to a request on Azadirachtin, the review on this substance has been already finalised and it has been approved as an insecticide.

4.3) Homeopathy issue (added point)

COM informed that due to a technical error during the translation process the term homeopathy disappeared from Article 24(2) of 889/2008, which will be corrected as soon as possible. homeopathic products can continue to be used in organic farming as already provided for in Council Regulation 834/2007.

Questions

a. IFOAM EU. Pointed out that on pesticide applications, the requested compound only is considered. Therefore, for basic substances the request should be for broad categories, such as animal fat rather than specific compounds such as Lanolin.

b. IFOAM EU. Is there a plan to make the model certificate in Annex XII (of Commission Regulation (EC) No 889/2008) obligatory?

COM Response: The issues will be assessed further internally and with MS.

c. IFOAM EU. On Annex IX of Commission Regulation (EC) No 889/2008 IFOAM has proposed a list of ingredients that should be removed.

IFOAM will resend the document

3. Presentation of the IFOAM position and concept on modification of the EU organic legal framework for improving the environmental performance

Presentation by Alex Beck on IFOAM EU position on Environmental Performance (please see IFOAM EU official letter to the COM:

http://www.ifoam.org/about ifoam/around world/eu group-new/positions/Papers/pdf/Letter IFOAMEU environmental performance 5.7.2012.pdf).

Questions

ECVC Agree with IFOAM proposal, but concerned over possibility of increased bureaucracy. COPA-COGECA have difficulty with the proposal. First reaction but must be cautious. They don't want to impose burden on farmers as this could deter conversion.

Dinel. Why not include retailers in this proposal?

EEB. Environmental bureau welcomes this proposal.

Response:

IFOAM EU pointed out that this proposal is instead of two other possible initiatives to improve environmental performance labelling, such as EMAS and the EcoLabel for food. Thus, it may provide a net saving in bureaucracy over other proposals.

Copa-Cogeca. Not suggesting that EMAS is a lot of work and accept that this proposal will reduce it. However, the organic sector is currently overwhelmed with documentation. Should therefore look at control under existing eco controls, rather than adding a new systems.

COM. He expects that environmental performance will be a major part in the future review of the

regulation.

Fairtrade. Sympathetic with the aims, but is concerned how this will apply to third countries.

Response:

IFOAM EU did not specifically consider application of this proposal to single ingredient imported products. IFOAM will consider and develop this idea.

5. Exchange of experience on the recent Quaternary Ammonium Compounds QAV /DDAC /BAC incident.

COM distributed a copy of a letter from COM to Competent Authority in the MS that first raised this issue re problems of contamination with DDAC found on imported Organic products. The question was whether there should be a tolerance of contamination by DDAC. It is not authorised in Organic production. Freshfel asked for the case to be raised here. Their sector is experiencing crisis and suffering significant losses particularly in bananas. They asked what can COM do to help. Current guidelines were too broad and did not cover the specific case of organic products. DG SANCO sets limit of 0.5mg/kg. They are grateful for that letter that makes it clear.

Questions.

Industry Several phytosanitary products have been banned as they contain DDACs. Two products withdrawn and this has affected other products of same company.

COM. General comment. The operator must accept responsibility for cargo arriving. MS have rules and controls and cannot expect to put responsibility on COM.

6. EGTOP ongoing processes: poultry production, food and greenhouse production - state of play

- **Poultry**. EGTOP made 30 recommendations, including specific ones for specific type of poultry. Next steps publication, then a working document. This is in the COM departmental plan, but timescale will depend on resources.

Plenary of EGTOP in June also discussed membership for the forthcoming work on protected cropping. The next plenary will look at next years work programme.

Questions

ECVC.(FINLAND) Poultry. Welcomes recommendation that there is no need for winter access for some birds, but this should also include organic geese and ducks.

COM Response: COM cannot discuss details at present, but will welcome comments.

COPA-COGECA. They were expecting the EGTOP report to be published as soon as it was finished.

COM Response: The report will not be changed in substance but needs a final quality check to ensure correct English/grammar etc. COM is currently working on proposals to improve the speed of the EGTOP process.

IFOAM EU. Some EGTOP conclusions on poultry agree with the IFOAM EU group position

document. IFOAM EU requests that the final proposals should not include wording such as "as much as possible" in relation to access to outside etc.

IFOAM EU. Provided provisional position on greenhouses. When will EGTOP consider it, in particular will it be done before the next plenary?

COM Response. COM is not certain of timescale yet, but welcomes all inputs into the discussion.

IFOAM EU. Will the on-going review of the regulation consider EGTOP procedures. .

COM Response. COM is not certain whether the review of the regulation will cover EGTOP procedures.

EFFAT. Poultry. On formaldehyde he hopes that COM will decide that this carcinogenic compound will not be allowed. He expressed concern over horticulture and the work place environment, rather than just concerns about soil quality etc.

COM Response. COM proposals will not necessarily follow EGTOP recommendations and can exclude or ban a product if all MS agree, via SCOF.

- **Food.** EGTOP confirmed that recommendations are completed from EGTOP on foods and gave a brief summary.

Questions:

IFOAM EU. Steviol glycoside has recently been approved as an additive. This creates problems as E960 is made with ion exchange. IFOAM EU group considers that it should be available for organic processors as an aqueous extract, in organic form only. The problems also relate to novel food legislation as it appears that water extracts are permitted in some MS, but others consider it a novel food. IFOAM EU group will write to COM on this subject.

IFOAM EU. Has EGTOP discussed specific wine additives such as Potassium Sorbate?

COM Response. This was not included in the mandate as the meeting took place before the wine regulation had been discussed. Therefore to get this added a dossier must be prepared.

IFOAM EU. Asked about use of the ORGIN matrix. Minutes to note request from AGOF that this should be used in future for all submissions to EGTOP regarding adding new products to the annexes.

7. Import of organic products from Third Countries

7.1) The new import regime and its implementation.

COM presented the new module in OFIS, permitting improved notification of irregularities.

Comments

Chair. EOCC are not at the AGOF due to a clash of dates. They would want to be involved in this discussion.

IFOAM EU. What will be the access for accreditation bodies to this system, bearing in mind that it

is the accreditors role to assess CBs responses in the case of irregularities?

COM Response.

- a. The system was tested, with CBs, some of whom are active members of EOCC.
- b. Accreditors will not have direct access to this system. Accreditors have their own closed peer review system for ensuring that their work on issues such as this are managed.

7.2) US/EU equivalence

COM gave an update on issues relating to US/EU equivalence: Inspection and verification requirements for confirming the antibiotic free status of dairy production (action from last AGOF), wine, labeling, raw material/ingredients, and fortification.

The bilateral working group created under the arrangement will meet in Brussels in mid-November. COM welcomes suggestions for the agenda by end September. The arrangement has listed down a number of topics that will have to be discussed bilaterally at some stage: these include veterinary drugs, conversion periods, electronic certification, exchange of information as regards third countries, animal welfare, disinfectants, GMOs, significant non compliances. The arrangement also foresees a review process in three years' time, by 2015.

Principle of equivalence prevailing in the arrangement is that all products should move freely except where excluded, as in the case of aquaculture products and with regard to antibiotic uses. US is now preparing aquaculture standards, but these may exclude net pens. EU industry should better react when there is a public consultation in Washington DC. Wine was not specifically excluded from the arrangement, even though there was no EU wine standard at the time of the signature of the arrangement; so it is, in principle, included. Both sides have just started assessing respective standards. Pending completion and as a transitory approach, wine can be certified by respective CBs to the standard of the destination: this benefits the operators, as it does not require double certification. COM will provide more guidelines on this. On antibiotics, there is significant interest in export of EU dairy products to the US.,. Details of the practical separation of organic milks which meet the US requirement from organic and conventional milk will be needed for the certification to export to the US. In general products must abide by the destination market rules. Both logos can be applied to EU products exported. As regards products elaborated with ingredients coming from third countries, final production and packaging steps must be done in the EU or the US for benefitting from the arrangement.

AGOF requests that the issue of ingredients imported into the EU from approved third countries is clarified. Switzerland is trying to achieve equivalence with the US. Triangular movement is not covered by existing agreements.

COM will ask for more information to the US on controls on certification, sampling etc, and also as regards GMOs.

Interested parties should provide further information on this subject to COM.

Questions

COPA-COGECA. They have concerns regarding customs controls. There are insufficient customs controls checks all incoming US organic products. Specifically there are concerns over

contaminants with non-permitted substances or GMOs. Consumers are especially concerned over imports from China and this could harm the image of organic.

Fair Trade. A lot of work is already done to ensure 3rd countries controls etc are strong. They don't want more scrutiny at customs to cause problems for importers, leading to increases in costs.

Freshfel. Welcomes equivalence agreement, but concerned that other trade barriers make some parts redundant. Eg it is not currently possible to export any apples or pears to the US. Even more concerned regarding China

COM Response: OFIS will help improving the follow up of irregularities. More generally controls, both within the EU and at the borders, will have to be improved as part of the revision process of the EU organic farming system. And indeed, there might be trade barriers to address like SPS or TBT measures.

7.3) Third Countries list - aquaculture and wine

COM. About equivalency on wine standards, work priority has been put on US, Canada and Switzerland. For Japan, the bilateral process attempts to redress imbalance in the current arrangement, which will ease access of EU organic products to the Japanese market, by simplifying requirements as regards use of the Japanese logo and certification by EU based CBsImplementation expected in 2013. With China, a Memorandum of Understanding has been signed by Commissioner Ciolos last June, which allows to start bilateral talks with a view to reciprocity. Other requests for equivalence recognition include requests for expansion of scope: to include aquaculture from Israel, wine from Argentina, processed products with imported ingredients from India. An FVO audit is planed next October in India. All equivalent third countries will be audited by FVO.

Question

IFOAM EU. What is the current situation with Brazil & South Korea?

COM Response. There is no request yet from Brazil. For South Korea there is extensive coordination in Seoul of countries exporting to Korea to extend current derogation for another year. For securing current access to the Korean market on the longer run, it will be necessary to enter into equivalence talks with South Korea.

8. AOB

IFOAM EU. Regarding amendments to Annex 2. COM did not mention proposals for fertilisers. Want to make clear that if the revision is written to prevent fertilisers not allowed in organic production this will prevent biogas digestate. Also concern re wording on application to edible parts of plants. This appears to apply to digestates etc, but not to manures. Also hydrolysed proteins there is concern that allowing them for greenhouse production could allow over use of liquid fertilisers. IFOAM EU group also wanted to remind COM that it has written regarding Sapropel, as the request for review from previous AGOF does not appear to have been considered.

COM Response. COM unable to respond. AGOF requests that COM considers whether the proposed wordings are correct.

Next meeting confirmed as 10/12/2012. AGOF asks COM to communicate this change widely asap.

AGOF requests that the subjects of Certcost and group certification should be added to the agenda for forthcoming AGOF meetings, probably after December.

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