



COMMISSION OF THE EUROPEAN COMMUNITIES

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**COMMUNICATION FROM THE COMMISSION
TO THE COUNCIL AND THE EUROPEAN PARLIAMENT**

European Action Plan for Organic Food and Farming

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1. SUMMARY

With this Communication on Organic Food and Farming, the Commission intends to assess the situation and to lay down the basis for policy development in the coming years, thereby providing an overall strategic vision for organic farming's contribution to the common agricultural policy (CAP).

In designing a global policy concept for organic farming, the dual societal role of organic farming should be recognised.

1. Organic food marketing, responding to the concerns of some consumers, and should therefore be rewarded by the markets and hence be financed by the consumers. The development of organic farming will, in this respect, be governed by market rules.
2. Organic land management is known to deliver public goods, primarily environmental, but also rural development benefits and in certain respects may also result in improved animal welfare. Seen from this angle, the development of organic farming should be driven by society.

In order to ensure stable market development there needs to be a balance between supply and demand.

The Commission analysis has shown that more emphasis should be put on facilitating the development of the market. The current market share is on average about 2 % in EU-15. In order to increase this figure or even to maintain the current figure in the long run, more focus on consumer expectations is needed. Consumers need better information on the principles and objectives of organic farming as well as the positive impact on, for example, the environment. At the same time it is important to safeguard the integrity of the inspection system.

The internal trade of organic products is hampered by the many different national and private standards and their implementation, which can make it very complicated to sell organic products in other Member States. The developing of common objectives, development of a multilateral concept of equivalence, further harmonisation of inspection requirements and more emphasis on the EU logo would help to minimise these problems.

In order to facilitate the expansion of organic farming, but also to increase production capacity, new information and, above all, new technologies are required. It is therefore essential to ensure the necessary research into organic farming and processing methods. At the same time, the gathering of statistical information about production and the market should be improved.

One of the objectives in the 2003 CAP reform was to promote production that supports environmentally friendly, quality products. Organic farming is an important device towards the attainment of this objective.

Organic farmers are currently entitled to receive support from the first pillar of the CAP through direct payments and price support measures. More importantly, organic farming is fully integrated in the rural development policy in the second pillar of the CAP and has a prominent place in the agri-environment measures. The 2003 CAP reform has provided a useful framework for the future development of organic farming and has made a range of instruments available to Member States.

Based on this analysis and building upon the achievements already accomplished, the main proposals in the Action Plan concentrate on:

- an information-led development of the organic food market, by increasing consumer awareness, providing more information and promotion to consumers and operators, stimulating the use of the EU logo, including on imported products, providing more transparency on different standards, and improving the availability of production, supply and demand statistics as policy and marketing tools;
- making public support for organic farming more effective by encouraging Member States to make a more coherent and greater use of the different rural development measures, for example, by means of the national action plans, and by strengthening research on organic farming;
- improving and reinforcing of the Community's organic farming standards, import and inspection requirements by defining the basic principles of organic agriculture and thus making its public service explicit; increasing transparency and consumer confidence; by establishing an independent committee for scientific and technical advice; by a further harmonisation and reinforcement of the standards making use of international organisations; by improving standards, for example, with regard to animal welfare; by completing the standards for areas not yet covered such as aquaculture or environment-related standards such as fossil energy use, etc.; by explaining the standards laid down for the prohibition of the use of GMOs; by increasing the efficiency and transparency of the inspection system and, finally, by making import provisions more efficient.

Further details concerning background analysis and the different actions listed below can be found in the Commission staff working document "European Action Plan for Organic Food and Farming" from June 2004. This document is available on the EUROPA webpage: http://europa.eu.int/comm/agriculture/qual/organic/plan/index_en.htm.

2. ACTIONS

2.1. The organic food market

Action 1

Introduce amendments in Council Regulation (EC) No 2826/2000 (internal market promotion) which would give the Commission greater possibilities for direct action in order to organise information and promotion campaigns on organic farming.

Launch a multi-annual EU-wide information and promotion campaign over several years to inform consumers, public institutions canteens, schools and other key actors in the food chain about the merits of organic farming, especially its environmental benefits, and to increase consumer awareness and recognition of organic products, including recognition of the EU logo.

Launch tailored information and promotion campaigns to well-defined types of consumers such as the occasional consumer and public canteens.

Increase Commission cooperation efforts with Member States and professional organisations in order to develop a strategy for the campaigns.

Action 2

Establish and maintain an Internet database listing the various private and national standards (including international standards and national standards in main export markets) compared to the Community standard.

Action 3

Improve the collection of statistical data on both production and market of organic products

2.2. Public policy and organic farming

Action 4

Allowing Member States to top-up with aids the EU support devoted to producer organisations in the fruit and vegetable sector involved in organic production.

Action 5

The Commission will develop a web-based menu listing all EU measures that can be used by the organic sector in relation to production, marketing and information.

Action 6

The Commission strongly recommends Member States to make full use within their rural development programmes of the instruments available to support organic farming, for example by developing national or regional Action Plans focussing on:

- stimulating the demand side by using the new quality schemes;
- actions in order to preserve the benefits for the environment and nature protection on the long term;
- developing incentives to organic farmers to convert the whole instead of part of the farm;
- organic farmers having the same possibilities for receiving investment support as non-organic farmers;
- developing incentives to producers to facilitate the distribution and marketing by integrating the production chain by (contractual) arrangements between the actors;
- support to extension services;
- training and education for all operators in organic farming, covering production, processing and marketing;
- targeting organic farming as the preferred management option in environmentally sensitive areas (without restricting organic farming to these areas).

Action 7

Strengthen research on organic agriculture and production methods.

2.3. Standards and inspection – safeguarding integrity

Action 8

Making the regulation more transparent by defining the basic principles of organic agriculture.

Action 9

Ensuring the integrity of organic agriculture by reinforcing the standards and maintaining the foreseen end dates of the transitional periods.

Action 10

Complete and further harmonise the standards for organic agriculture by:

- establishing the list of permitted additives and processing aids for processed animal products;
- considering whether to establish specific standards for organic wines;
- improving the standards relating to animal welfare;
- considering the need for extending the scope to other areas such as aquaculture;
- considering the need for improving standards relating to the environment (use of energy, biodiversity, landscape and others).

Action 11

Establishing an independent expert panel for technical advice.

Action 12

Including provisions in Council Regulation (EEC) No 2092/91 clarifying

- that products that are labelled as containing GMOs, can not be labelled as organic;
- that the general labelling thresholds equal the thresholds for the adventitious presence of GMOs for products (other than seed) used in organic farming.

The question of deciding whether specific thresholds for seed used in organic farming need to be set and at what level is still under consideration by the Commission.

Action 13

Improve the performance of the inspection bodies and authorities by introducing a risk-based approach targeting operators presenting the highest risk in terms of fraudulent practices, and by requiring cross-inspections under Regulation (EEC) No 2092/91.

Action 14

Continue the ongoing work in the JRC to develop sampling and analytical methods which can be used in organic farming.

Action 15

Member States should study the possibility of using land parcel identification

established for the CAP management for the location and monitoring of the land under organic farming.

Action 16

Ensure better coordination among inspection bodies and between the inspection bodies and the enforcement authorities under Regulation (EEC) No 2092/91.

Action 17

Develop a specific accreditation system for inspection bodies under Regulation (EEC) No 2092/91.

Action 18

The Commission will publish the annual report from the Member States on the supervision of approved inspection bodies including statistics on type and number of breaches.

Action 19

Step up efforts to include third countries in the equivalency list, including on-the-spot assessments.

Amend Council Regulation (EEC) No 2092/91 on organic farming, replacing the current national derogation for imports by a new permanent system making use of technical equivalency evaluations by bodies assigned by the Community for that purpose. This could include, following appropriate consultations, developing a single and permanent Community list of inspection bodies recognised as equivalent for their activities in third countries not already on the equivalence list.

Continue to ensure that the definition of equivalence with third countries takes into account the different climate and farming conditions and the stage of development of organic farming in each country.

Upon entry into force of this system, offer all imported products access to the EU logo.

Action 20

Establish a systematic comparison between the Community standard on organic farming, Codex Alimentarius guidelines and the IFOAM standards (see also Action 2).

Step up efforts towards global harmonisation and development of a multilateral concept of equivalency based on the Codex Alimentarius guidelines in cooperation with Member States, third countries and the private sector.

Support capacity-building in developing countries under the development policy of the EU by facilitating information on the possibilities offered by more general support instruments to be used in favour of organic agriculture.

Further measures to facilitate trade in organic products from developing countries will be considered¹.

¹ According to article 12 in the WTO Agreement on Technical Barriers to Trade, Members shall provide differential and more favourable treatment to developing country Members to this Agreement.

Action 21

Reinforce recognition of EU organic farming standards and inspection systems in third countries by obtaining a negotiation mandate from the Council.

3. IMPACT ASSESSMENT

Progress on Actions 19 and 21, with respect to respectively increasing the number of third countries under import equivalency and under bilateral mutual recognition agreements, is dependent on the availability of human resources.

Action 1 and action 7 will be implemented within the existing budget allocation. With regard to Action 11 on the establishment of an independent expert panel, no significant impact is expected.

With regard to the other actions, there is no impact on the Community budget.

Finally, the implementation of this plan depends on the availability of human resources in the Commission Services in view of dealing with the different kind of actions foreseen.

4. NEXT STEPS

This Action Plan presents a step forward in the process towards promoting organic farming in Europe together with the rest of the world.

In developing the Action Plan the Commission has taken a pragmatic approach directed in the first instance towards an analysis of how to utilise or adjust existing policies.

The Commission will start immediately to take the necessary steps in order to advance along the lines identified.