Key regulations and standards for imported organic products in EU and US markets

September 13, 2017  Manilla, Philippines, Joelle Katto, Organic Policy and Guarantee Manager
Subtopics in this presentation

- Overview of organic standards and regulations
- Organic regulation EU
- Organic regulation US
- Some differences in EU & US standards, regulations
- Equivalence for organic trade
Organic standards and regulations
Requirements for organic production and processing

Organic Standards
Typical topics in organic standards

• General requirements (e.g. no GMOs)
• Crop production (including animal feed)
• Wild collection/harvest
• Livestock/animal husbandry
• Apiculture/beekeeping
• Aquaculture
• Processing/handling
• Labelling
• Social justice
• Lists of inputs (usually as annexes)
The reason for standards differences

- Culture, climate, agriculture practices, economy, markets natural resources... (e.g. organic seeds, inputs)
- Values and concerns in the countries (e.g. animal welfare, bio-diversity, buffer zones...)
- Legal background (e.g. burning of crop residues, water issues)
- Different concepts (e.g. conversion period)
- Market differentiation & protection
Organic Regulations - topics

- Standards (technical requirements)
- Labeling requirements
- Controls
  - conformity assessment (certification, accreditation)
  - registration
  - reporting
- Imports
- Enforcement
Organic Regulations - scopes

• Domestic (most, including EU and US)
• Export-only (India, Australia, New Zealand)

• Mandatory (most)
• Voluntary (Thailand, Lao)
Reasons for organic regulations

• Avoiding unfair competition among operators
• Consumer assurance and protection
• Improving export opportunities for agriculture sector
  - trade relationships with other nations
• Supporting development of organic agriculture in the country for:
  - environmental protection
  - market development
  - rural development
• Supporting local markets and small scale producers (e.g. Brazil)
• Connection with subsidies (Europe, mostly)
## Organic regulations worldwide

<table>
<thead>
<tr>
<th>Region</th>
<th>Countries with Regulations 2002</th>
<th>Countries with Regulations 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>27</td>
<td>38 EU 27 Other: 11</td>
</tr>
<tr>
<td>America and Carribean</td>
<td>6</td>
<td>21</td>
</tr>
<tr>
<td>Asia and Pacific</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>Africa</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44</strong></td>
<td><strong>86</strong></td>
</tr>
</tbody>
</table>
The EU Organic Regulation
Phases of EU Organic Regulation

First Regulation

Council Regulation 2092/91

- plant production 1993 – 2007
- animal husbandry 2000 – 2007
Phases of EU Organic Regulation

Current Regulation
- Council Regulation 834/2007
- Commission Regulation 889/2008 (implementing rules)
  - periodic amendments to 889/2008
- Commission Regulation 1235/2008 for imports
- guidelines for imports of organic products


links to the regulation and implementation rules and all amendments plus consolidated versions

https://ec.europa.eu/agriculture/organic/index_en

info-page of the EU Commission on organic farming
Phases of EU Organic Regulation

• **Future Regulation**

2012: Process started for replacing current regulation


Date finally approved by Council and Parliament: not yet known

Date in effect: not yet known.
Current regulation: Scope

1. Unprocessed agricultural crop products, also livestock and unprocessed livestock products e.g. eggs, cuts of meat.

2. Processed agricultural products intended for human consumption

3. Animal Feed

Newer in the scope: aquaculture, yeast, wine

Not in the scope:
- mass caterers (Canteens, Restaurants) – national regulations possible)
- products of hunting and fishing of wild animals
Current regulation: Labeling

- Minimum 95% organic ingredients in “organic products”

- Obligatory use of the EU logo for pre-packaged organic products produced in EU

- EU Logo may be used for organic products produced outside of the EU if accepted to be exported to EU.

- Indication of origin (if EU logo is used):
  - EU-Agriculture
  - non-EU-Agriculture
  - EU/non-EU Agriculture
Current regulation: Controls

- Certification/control bodies are controlled at member state level for certification inside the EU
  - These certification bodies must be accredited to the requirements of ISO standard 17065/EN 45011. (ISO requirements for performing certification)

- EU certification bodies are controlled at EU level for certification outside the EU.

- EU also approves foreign certification bodies for purposes of import.
EQUIVALENCE

• exporting country with bilateral equivalence arrangement with the EU  APO countries = 2 (Japan, Rep. of Korea)

• exporting country with a unilateral equivalence arrangement with the EU  APO countries = 1 (India)

• products certified by a certification body approved by EU Commission to operate EU-equivalent certification in the designated country  APO countries = many (CBs, most based in EU)
EQUIVALENCE

• exporting country with bilateral equivalence agreement with the EU APO countries = 2 (Japan, Rep. of Korea)

• exporting country with a unilateral equivalence arrangement with the EU APO countries = 1 (India) (EU & India negotiate new bilateral agreement)

EQUIVALENCE COMPLIANCE

• products certified by a certification body approved by EU Commission to operate EU-equivalent compliant certification in the designated country APO countries = MANY (CBs, most based in EU)
The United States Organic Regulation
Arrangement of US Organic Regulation


  National Organic Standards Board (NOSB)

  USDA National Organic Program (NOP)

  Federal Register: 7 CFR Part 205
  In effect 2002

  Public comment

  Program Handbook

Arrangement of US Organic Regulation

• Scope of Production/Processing Standard
  - crops
  - livestock
  - wild crops
  - handling/processing

  (non-food products (e.g. cosmetics) if compliant with 7CFR Part 205)

• Labeling
  - provides for the following claims: “100% organic,” “organic,” and “made-with” organic
  - USDA seal is optional
  - private certification marks are allowed, subject to certain requirements, including that
  - private seals may not signify any requirements other than those of the NOP regulation
Arrangement of US Organic Regulation

• Controls

- Organic certification bodies are directly accredited by the US Department of Agriculture (USDA) to certify compliance with the requirements of the National Organic Program (NOP).

- Accreditation is open to both US and foreign certification bodies.

- For products within the scope of the NOP regulation, certification bodies must certify ONLY to the requirements of the NOP.
Exporting organic products to US

Equivalence
- exporting country has a bilateral equivalence arrangement with US  APO countries = 1 (Rep of Korea)

Compliance
- certification to the NOP organic regulation in exporting country by a certification body that is directly accredited by the USDA  APO countries = many (mostly foreign CBs, 2 APO = Rep of China, Japan)
- NOP certification in an exporting country by a certification body is under control of a government that is recognized by US as providing controls for NOP certification  APO countries = 1 (India)
Key Differences between EU & US regulation

• Transition/ Conversion
  - US requires transition time of 3 years from date of application of any prohibited input.
  - EU requires a 2 year conversion period in compliance with EU regulation and under supervision of CB.

• Fertility
  - EU limits amount of manure applied to land. US does not.
  - US has detailed requirements for producing compost. EU does not.

• Hydroponic production
  - US is allowing (if with allowed nutrients)
  - EU prohibits
Key Differences between EU & US regulation

• Animal Antibiotics and other drugs
  - US prohibits all antibiotics
  - EU allows antibiotics for medical reasons
  - EU allows a broad range of other drugs. US prohibits with a few exceptions.

• Processing
  - US allows fortification (vitamins, minerals) same as for non-organic
  - EU prohibits fortification of organic products except “if law requires it.”

• Labeling
  - US provides for “made with” claims for products containing 70-95% organic ingredients and “100% organic”
  - EU does not have these categories

• Input Lists
  - EU: positive lists (allowed inputs)
  - US: 1. allowed synthetic inputs 2. prohibited natural inputs
Equivalence for organic trade
“Organic” equivalence arrangements

• Definition of Equivalence acceptance by a trade partner that another trade partner’s regulations fulfill the same policy objectives, although by different means

• Reduces technical barriers to trade

• Enables products to be traded based on an organic certificate, usually without further assessment. Certain exceptions can be part of equivalence arrangements, which require additional scrutiny.

• Enables producers to be certified to an appropriate domestic organic standard instead of a foreign one.

• Bilateral arrangements are formal and follow a process of technical assessments, knowledge and trust-building measures, and commitments for maintaining the integrity of the arrangement.
THANK YOU!

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