

New Organic Regulation

- **Commission announced the revision:** at the end of 2011
(current reg. has applied from 2009)
- **Commission Impact Assessment:** 2012/2013
- **Commission legislative proposal:** March 2014
(highly criticised by all the stakeholders)
- **Council “general agreement”:** June 2015
- **EU Parliament COMAGRI Report:** October 2015
- **Trilogue:** from Nov.2015 to date
(14 meetings, Luxembourg, The Netherlands, Slovakia, Malta)

Slovakian Presidency – second semester 2016

- **What has been discussed:** structure related to specific production rules and production rules
- **What is still unsolved :** seed, derogations and databases, soil-bound issue, residue management
- **What is (almost) closed:** control and import, principles, aims & objectives



New Organic Regulation

AGRI-Council on 12-13 December 2016

Due to the evident deadlock of negotiations, a number of Member States backed the Parliament proposal to “take a break”, zoom out, re-consider the whole process and to find out the best way to go forward

Maltese Presidency is committed to make progress on the file, bilaterals with all member states took place in January.

Three trilogues have been planned: 22 March, 25 April, 31 May 2017

New compromise text was circulated by the MT Presidency to the MS. Decision on this paper is expected on 27 Feb.

Next Presidencies: Estonia (2 sem. 2017) and **Bulgaria** (1 Sem. 2018)



New Organic Regulation

Current status of negotiations

Scope, objectives principles and definitions (Arts. 1-6)

Scope:

- **Positive:** general rule a bit clearer than today and including also products originating from agriculture and products related to agriculture. The annex is also positive
- **Negative:** the insertion of sea salt and other salts
- **Pending:** mass catering
- **Missed opportunity:** clarification on how to protect the term organic for cosmetics and textile

Principles:

- **Pending:** soil bound principle, ban of nano-material



New Organic Regulation

Current status of negotiations

General production rule (Arts. 7-9)

- **Status quo:** mixed production organic/non organic possible
- **Positive:** if and how environmental performance is in
- **Negative:** conversion rules still very confusing
- **Pending:** environmental performance for processors



New Organic Regulation

Current status of negotiations

Specific production rules (Arts. 10-17); authorisation of products (Art. 19), reporting (Art. 35)

- **Status quo:** more requirements, e.g. conversion rules, are now under the basic act.
- **Positive:** Rules for rabbits and cervine, but not properly evaluated
- **Negative:** Mistakes and technical consistency
- **Pending:** Empowerment, Reporting
- **Missed opportunity:** The review could have been used to address important aspects that require further development or that are not yet sufficiently regulated, such as clear climate measures, further nature protection requirements, specific aspects of animal welfare (transportation and slaughter).
- **Question:** Use of organic feed (forage): 70% from the region for herbivores, 30% for pig and poultry, but no definition of region (currently the percentages are 60% and 20%). Not clear at all what feed to use in the first year of conversion, if not corrected, the farmer will have to buy 80% of organic feed at the first year of conversion and he will not be able to use its own feed



New Organic Regulation

Current status of negotiations

Collection, packaging, labelling, transport and storage

- **Status quo:** no big differences for collection, transport and storage
- **Positive:**
- **Negative:** No development in labelling of origin, labelling rules are in the basic text and cannot be changed – thus almost impossible later improvement
- **Pending:** labelling not completely closed



New Organic Regulation

Current status of negotiations

Precautionary measures and non authorised substances (Art. 20)

- **Status quo:** procedure in case of non-compliances with some unclear points
- **Positive:** Definition of precautionary measures for avoiding non-compliances and actions to be taken in case (only) of residue findings;
- **Negative:** Focus on residues instead of non-compliances, not technically sound, deadline to re-discuss the issue in 2021
- **Pending:** Decertification threshold, precautionary measures for member states



New Organic Regulation

Current status of negotiations

Trade with Third Countries (Art. 27-30)

- **Status quo:** compliance is provided by current REG but never implemented
- **Positive:** less bureaucracy burden for the Commission
- **Negative:** Equivalency for CB cancelled, equivalency btw countries only under trade agreements
- **Pending:** small details on the EU outermost regions



New Organic Regulation

Current status of negotiations

Controls (Art. 32-39)

- **Status quo:** organic controls stay in the organic regulation but are more linked with the horizontal legislation
- **Positive:** group certification in the EU (but not enough detailed)
- **Negative:** mandatory annual inspection cancelled, inspection every 12 months (once a year in new compromise MT text), unannounced inspections as general rule, technical consistency
- **Pending:** controls of retailers



New Organic Regulation - CONCLUSION

Open issues

- **Management of residues in organic products**

- **Soil-bound production**

(Question: Possibility to grow organic plants out of the soil still under discussion, it seems that only demarcated beds will be allowed and only above parallel 56, that it means from Denmark northwards: MT)

- **Seed/Organic Breeding**

(Use of organic seeds after 2020 still under discussion but the orientation is that it will be still possible to use non-organic seed **at least** until 2025)

- **Derogations and databases**



Take home message ☺

- Importance of national OF stakeholders
- IFOAM EU keeps an eye, lobby and cares but IFOAM EU is only as strong and informed as its own members are active



IFOAM EU Objectives for CAP post-2020

- CAP incentivises & rewards the positive externalities of agriculture
- Create a more supportive policy environment for organic farming development
- Increase the influence and relevance of organic as a key solution
- Build bridges with other like-minded organizations to reach the IFOAM EU 2030 Vision



Analysis of current CAP

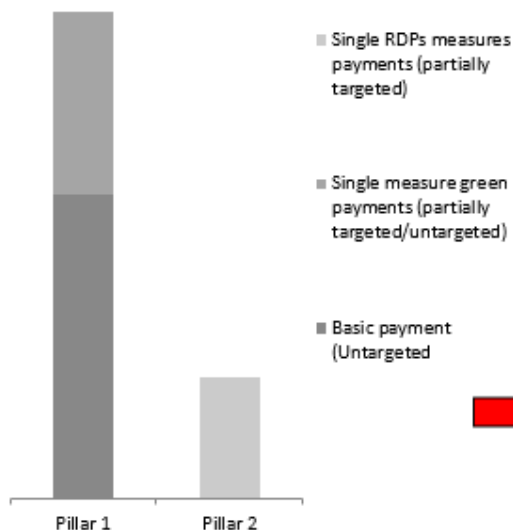
- Disproportionate emphasis on international price competitiveness
- Public goods payments based on single practices rather than on a targeted system approach
- Payments calculated in terms of income forgone and costs incurred, not the value of public goods
- Greater preference from Member States to opt for 100% EU financing



Long-term Vision for CAP spending

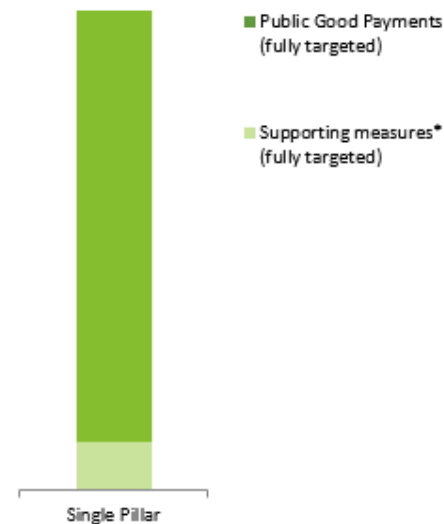
Current CAP Spending

- 2 pillars, 2 budgets
- Value of Public goods not taken into account
- Majority of spending untargeted
- Overall performance of entire farm not considered

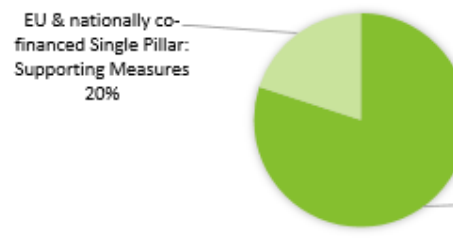
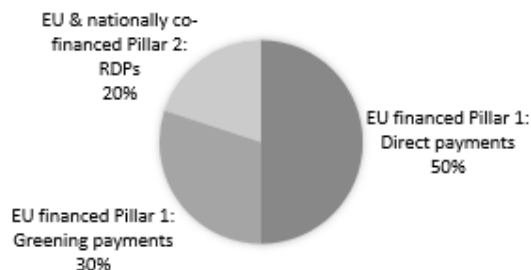


New CAP spending

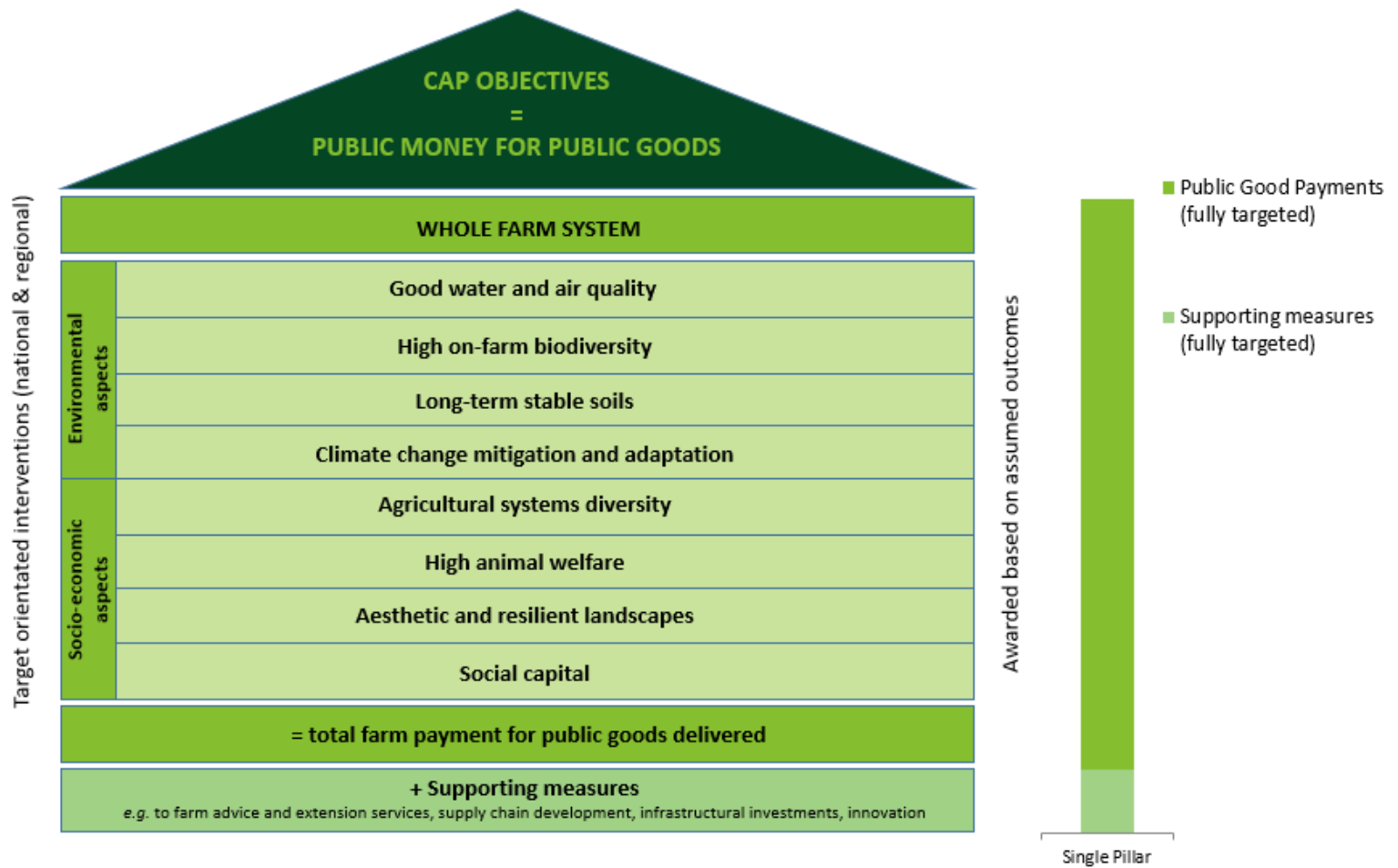
- 1 pillar, 1 budget
- Value of Public goods mainstreamed
- Targeted at reaching EU environment & climate outcomes
- Overall public good performance of entire farm considered



*e.g. farm advice and extension services, supply chain development, innovation, organic payments, and promotional activities



New payment model based on public money for public goods



Key milestones for new payment approach

- **2021:** Immediate transfer of 50% of the existing Pillar 1 budget & 10% of the Pillar 2 budget to a new single public goods budget
- **2021-2034:** Mandatory budgetary milestones to transfer the remaining CAP budget
- **2034:** One pillar payment system with 80% of agricultural budget dedicated to public goods delivery and 20% for supporting measures.



"How can IFOAM EU help Bulgarian organic farming to deal with the fact that whole CAP on organic has been already spent" Can IFOAM EU influence Commission in allowing the shift of money from less used programs?



- IFOAM EU can support the work of BOPA, but this is a national issue in terms of the Rural Development Programme implementation. The current CAP architecture allows for annual amendments to RDPs where money can be reallocated once the overall objectives are being met. There is also the option to move money from Pillar 1 to Pillar 2 for financial years 2019 and 2020. This that Member States review their decisions related to the flexibility between pillars in respect of these years and notify the Commission of such possible changes by 1 August 2017.



Blгодарja

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