Strategy on Solutions for Harmonizing International Regulation of Organic Agriculture

Volume 2

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PREFACE

This volume represents a further step in the development of proposals on harmonization of the regulation of production and trade in products from organic agriculture. It was commissioned by the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF), which was established by IFOAM, FAO and UNCTAD in February 2003. Annex 1 provides further detail of the overall objectives of the ITF. At the first meeting of the task force on 18-19 February 2003, an initial work plan was established which resulted in the preparation of five baseline papers:

- Commins (2005) reviewed the current status of existing international standards, regulations and private organic standards and both the current regulatory and private conformity assessment systems. It therefore provides an objective starting point for our discussion;
- Bowen (2005) described the current mechanisms, both public and private that enable international trade in organic products highlighting the differences between the various systems;
- Wynen (2005) provided an initial analysis of the potential impact of increased harmonization of regulation on the trade in organic product. Looked at it in another way, it discusses the cost of the lack of harmonization;
- Courville and Crucefix (2005) investigated and described potential models for regulation of other industries and reviewed and raised issues over their appropriateness for the organic sector; and
- Arvius - Swedish Board of Trade (2003) presented a review of the obstacles to organic trade with special reference to the European Union and made recommendations for amendments to EU Regulation 2092/91.

The first four papers were published in a compiled volume along with the reports of the first two ITF meetings (UNCTAD-FAO-IFOAM, 2005). All the above papers were reviewed by a follow-up meeting of the ITF in Geneva in October 2003.

This volume attempts to build on these papers and the discussion on them at the Geneva 2003 meeting and to chart a course towards finding solutions to what is perceived as a lack of harmonization in regulating the organic sector. It aims to:

Summarise the:

- Current situation;
- Problems experienced; and
- Harmonization tools available

and then:

- Establish criteria for assessing potential harmonizing models;
- Perform an initial analysis of likely models;
- Recommend best options where possible; and
- Develop an initial work programme to lead towards a final workable harmonized model.

This paper was prepared by David Crucefix of the International Organic Accreditation Service (IOAS). It was first amended following comments received in early 2004 and then further discussed at a meeting of the ITF in Rome in November 2004 and finally in Nürnberg in February 2005. This paper has been further updated to be consistent with the key working definitions of the ITF, contained in Annex 2, and to account for the comments and proposals agreed at these meetings, reports of which are included as Annexes 3 and 4. This paper therefore fully reflects the views of the members of the ITF.

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ABBREVIATIONS

CAB	Conformity Assessment Body. In the organic regulatory environment more normally called Certification or Inspection Body
CAR	Conformity assessment requirements
CAC	Codex Alimentarius Commission of FAO and WHO
CAC Organic Guidelines Equivalence	Codex Alimentarius Commission Guidelines for the production, processing, labelling and marketing of organically produced foods. GL32-1999, Rev.1-2001
CAC Guidelines on	Codex Alimentarius Commission Guidelines for the Development of Equivalence Agreements regarding Food Import and Export Inspection and Certification Systems
CRO	Common Regulatory Objective
EU Approach	EU model, known as the "New Approach" for harmonization of standards and the "Global Approach" for conformity assessment
EU Regulation	Council Regulation 2092/91 (and its amendments) on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs
FAO	Food and Agriculture Organization of the United Nations
Guide ISO61	ISO/IEC Guide 61: 1996 "General requirements for assessment and accreditation of certification/registration bodies"
Guide ISO65	ISO/IEC Guide 65: 1996 "General requirements for bodies operating product certification systems"
Guide 17011	ISO/IEC Guide 17011: 2004 "General requirements for bodies providing assessment and accreditation of conformity assessment bodies". An update of ISO61
IAF	International Accreditation Forum
ICH	International Conference on Harmonization – Pharmaceutical Industry regulatory mechanism
IFOAM	International Federation of Organic Agriculture Movements
IFOAM Norms	IFOAM Norms for organic production and processing comprising IFOAM Basic Standards and IFOAM Accreditation Requirements - 2002

IOAS	International Organic Accreditation Service
ISTA	International Seed Testing Association
ITF	FAO/IFOAM/UNCTAD International Task Force on Harmonization and Equivalence in Organic Agriculture
JAS	Japan Agricultural Standard
MLA	Multilateral Agreement
NOP	US National Organic Programme
Safe Harbour	US-EC Understanding on the Principles for Data Privacy Protection, otherwise known as the "Safe Harbour Principles"
UNCTAD	United Nations Conference on Trade and Development
UNECE	United Nations Economic Commission for Europe
US-EC MRAs	US-EC Mutual Recognition Agreements
WANO	World Association of Nuclear Operators

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The strategy on solutions paper was prepared by David Crucefix of the International Organic Accreditation Service (IOAS), and amended following comments by ITF members and the ITF Steering Committee. The reports of the third and fourth meetings of the ITF were prepared by the ITF secretariat, Diane Bowen and Matthias Fecht.

Sophia Twarog (UNCTAD) edited this volume and oversaw its publication. In this she was assisted by Andrew Stevenson (UNCTAD), Stephanie Vertecchi (FAO) and the ITF secretariat. Mark Bloch (UNCTAD) did the language editing and Rafe Dent (UNCTAD) formatted the publication.

Finally this work would not have been possible without the financial support of the Governments of Sweden and Switzerland.

CONTENTS

Executive summary

This paper proposes a long-term strategic goal for the practical implementation of a harmonized system for regulating the production and international trade of organic products and defines an initial three-year work plan towards that end. The paper is the result of a process that began in February 2003 with the establishment of the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF). This Task Force was constituted by the Food and Agriculture Organization of the United Nations (FAO), the International Federation of Organic Agriculture Movements (IFOAM) and the United Nations Conference on Trade and Development (UNCTAD).

The paper summarizes the current regulatory environment for organic production and trade, reviews some of the major problems and establishes three main target areas which need to be addressed, namely: the rationalization of organic standards; the rationalization of conformity assessment requirements; and the rationalization of the approval system for conformity assessment bodies.

Using the ideas raised in an ITF session in October 2003, which were again further discussed in a November 2004 meeting of the ITF, the paper defines ten criteria for the assessment of any proposed solutions or models for harmonized regulation. Various models from other sectors previously investigated by the ITF were evaluated against these criteria and several models and/or their component parts (CAC Guidelines on Equivalence, United Nations Economic Commission for Europe (UNECE), the International Seed Testing Association (ISTA) and IFOAM appear to be worthy of further investigation, although aspects of others should not be discarded at this stage.

Based on this review, a long-term strategic goal was defined and composed of the following elements:

- The use and adaptation of existing structures and mechanisms of regulation, both private and public sector (the idea of establishing a new international entity was rejected at this time);
- Production standards equivalent to a single international standard;
- An international requirement for conformity assessment; and
- Common international procedures for approval or accreditation of conformity assessment bodies which reduce duplication of work and enhance access to markets including by countries in which regulatory infrastructure is absent or less well developed.

An initial work plan is presented, the results of which should be reviewed and redirected towards the end of 2007.

1 Starting point

1.1 Current situation

Although growing and manufacturing "organic" products takes place without formal certification, they cannot now be sold as such in major markets unless they are certified. Likewise, there are also models of organic regulation, variously referred to as "peer" or "participatory" models, which do not involve third-party inspection, but these are not the norm.[1] There is then general agreement that an organic regulatory system is made up of four parts:

- Producers or operators – who actually produce the organic products;
- Inspection bodies or conformity assessment bodies verifying that producers follow the rules;
- An approval and supervision system, usually either a government department or a private/governmental accreditation body or a combination of these, which accredits or verifies that the conformity assessment bodies are competent and work consistently;
- A labelling system which is the practical result of all the above, which indicates to the buyer that a product has been produced and approved in compliance with the above mechanisms.

The various participants are guided by the following sets of rules:

- A production standard with which the farmer or producer must comply;
- A guideline or requirement for certification with which the third party inspection body must comply;
- A guideline or requirement for approval/accreditation with which the approval or accreditation body must comply; and
- A labelling requirement.

Despite this common overall structure, a number of models have evolved. To help visualize the various models more clearly and establish our starting point, Figure 1 and Figure 2 summarize the current public sector and private sector organic guarantee systems as described in Commins (2005) and Bowen, (2005).

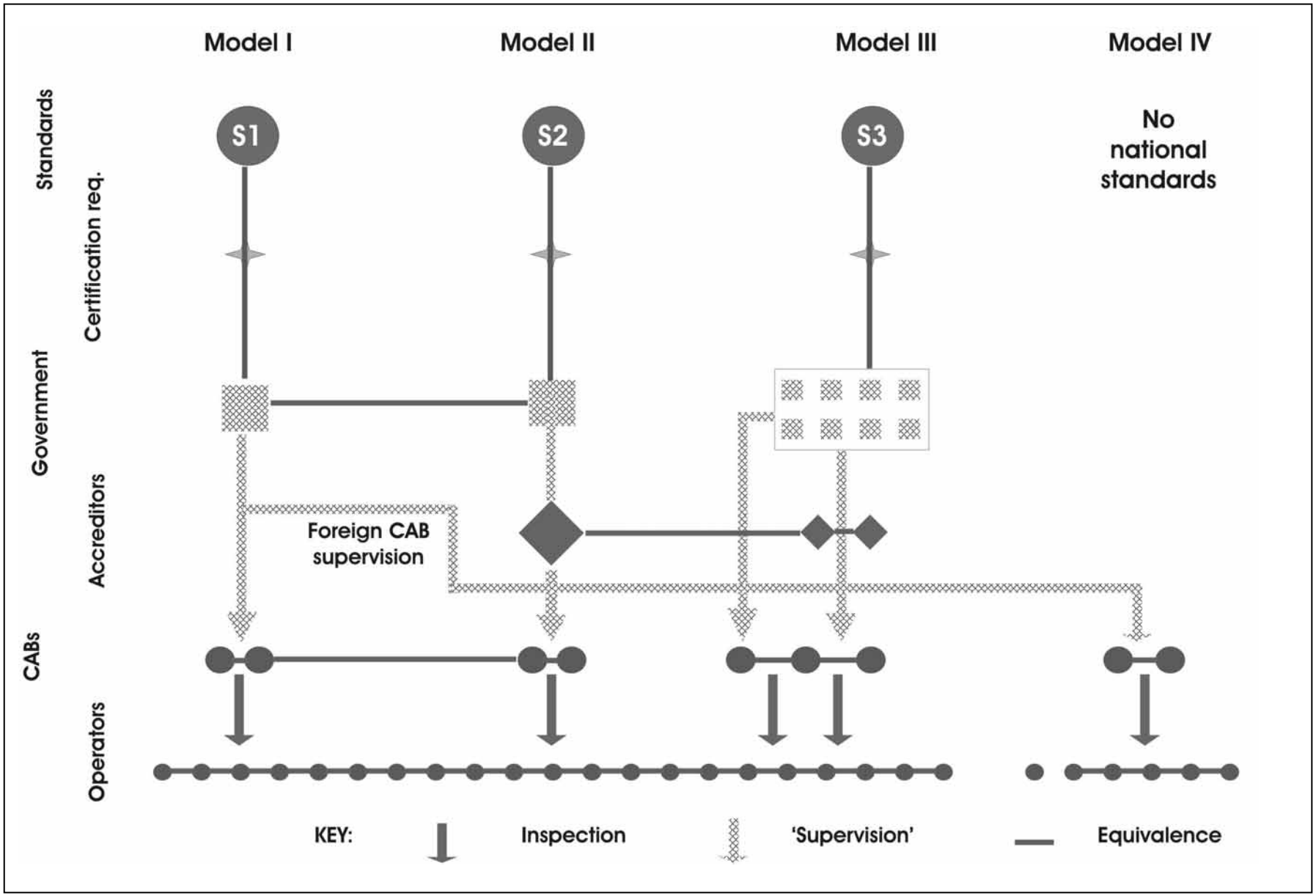
1.1.1 Public sector models

Figure 1 presents the four main public sector models to be found today. Models I-III are set in a framework of government legislation providing a typical structure, which can be related to the general one above:

[1] The Rome ITF meeting in November 2004 agreed that such peer review systems should not be discarded and may have a role in the future with particular respect to lowering the cost of regulation. The same could also be said of mechanisms of self-declaration of conformity. It was, however, accepted that third-party inspection systems have become the norm in organic agriculture, and therefore represents a starting point.

- National production standards and labelling requirements (the circles S1, S2 etc. in Figure 1);
- Requirements against which conformity assessment bodies operate and can be assessed (the stars in Figure 1); and
- A government approval system for the conformity assessment bodies (CABs), represented as squares in Figure 1.

Figure 1: Diagrammatic representation of current public sector models regulating the organic sector



All models have developed somewhat separately. In Model IV, no such legislation exists and to date there may be no government interest in regulating the sector (and therefore it is not strictly a public sector model but is included here for completeness). Model III is a group of states governed by common legislation, e.g. the European Union in which harmonization is encouraged in the single market but implementation is carried out at the national level.

In all four models, organic operators are inspected by conformity assessment bodies (CABs). These may be private sector organizations (Japan, the United States and most EU countries), part of, or related to government (Czech Republic, Denmark, Estonia) or a mixture (Spain). These CABs may either act solely as inspection bodies (not setting standards themselves) utilizing the national or regional standard or may set private standards. The conformity assessment bodies are normally approved by government (Model I), except where the government is itself the CAB, in which case there is generally no approval or oversight process. However, the need for accreditation may be written into the legislation (Model II). For example, the European Regulation requires compliance with Guide ISO65.[2] Where formal accreditation is active, equivalence of the work of the accreditors is governed by multilateral recognition agreements (MLAs) between accreditation bodies involving peer review visits. This latter peer review system functions under the auspices of the International Accreditation Forum (IAF), or related regional entities such as European Accreditation.

In most countries, accreditation (rather than government approval) is optional: a CAB may, in fact, voluntarily undergo a private accreditor audit in addition to an audit by a government office. In others, a regional government structure may also impose its own requirements. In Italy for example, CABs are supervised by regional government offices of the Ministry of Agriculture; many CABs have also opted to voluntarily undergo accreditation against Guide ISO65. Government approval systems generally range from a document audit only, to full annual physical audits as would be done by accreditors. In Model IV where there is no national approval system, one might find CABs approved by a foreign government or accredited by a foreign accreditor (and/or by the private system described below). CABs operating in such circumstances must obtain as many individual approvals as is necessary to satisfy their clients' (the organic producers) need to access export markets.

Once individual government mechanisms are established, equivalence with other government systems may be sought or export countries may apply for approval. Through equivalence agreements or attaining approved status, CABs, and in turn their certified producers, may recognise products as equivalent and products may be traded. The thin horizontal lines in Figure 1 represent recognition of equivalence. Such overarching recognition may not be available for all required trade routes, as is the case for the European Union where the majority of products still enter under Article 11(6) as described in Arvius – Swedish Board of Trade (2003).

For fear of complicating the scheme in Figure 1, this mechanism has been omitted and is merely indicated as a gap in equivalence between CABs and by implication between operators.

Proponents of such government mechanisms consider that governments are obliged to protect their producers and consumers and only through government regulation can this be achieved.

[2] ISO65 is a generic - i.e. not specific to organic certification - guide of the International Organization for Standardization which is performed by the national accreditor.

The issue is also one of sovereignty. Private systems might be viewed by some as self-interested, lacking in rigour and objectivity and the full force of the law.

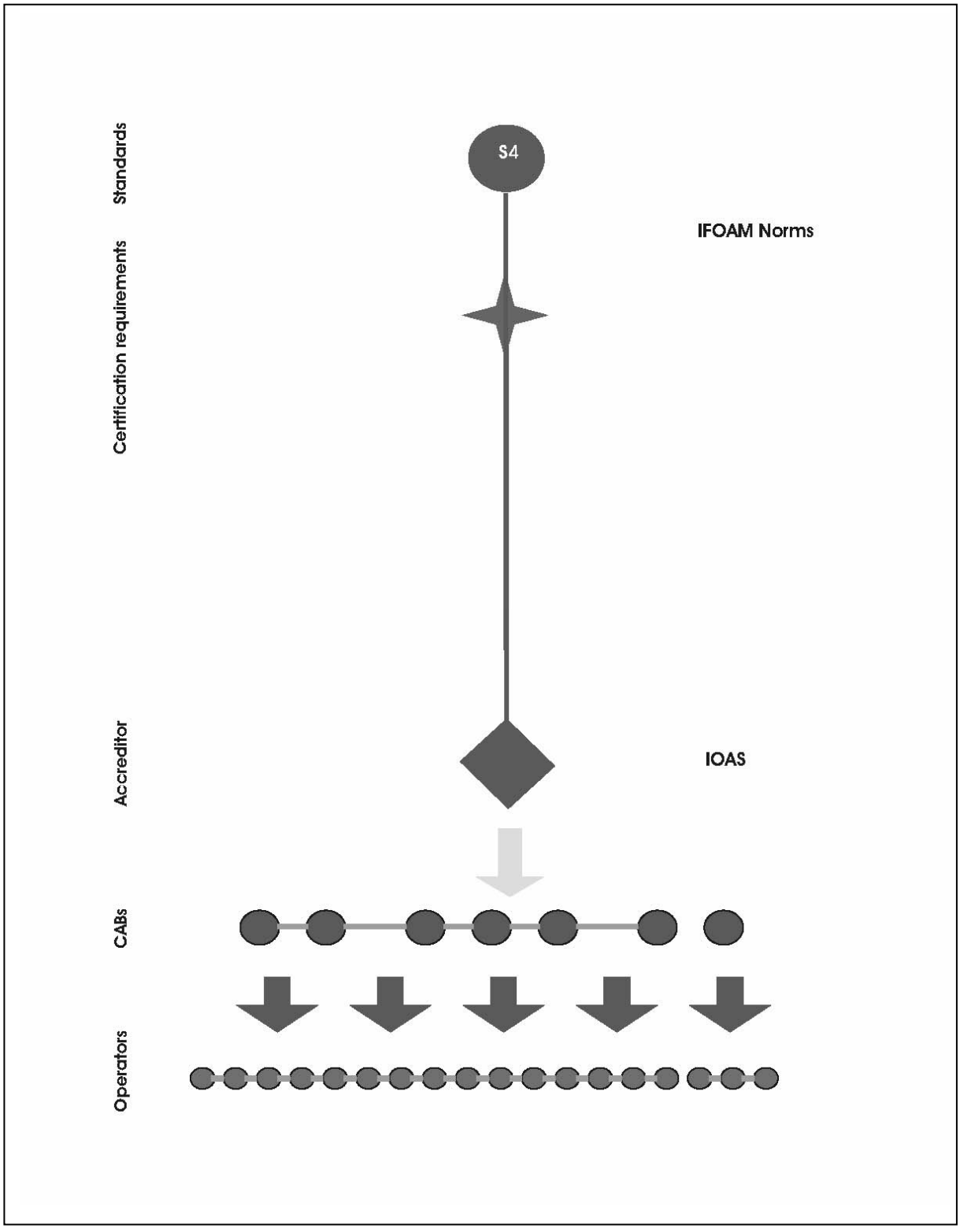
1.1.2 Private sector model

The private sector mechanism (see Figure 2) was established by IFOAM, an international membership organization of producers, traders, non-governmental organizations, researchers, CABs and consultants. The mechanism is made up of the same basic components as the public sector systems:

- International basic reference standard including labelling requirements (IFOAM Norms);
- International certification requirements against which a CAB is assessed (IFOAM Norms), and
- Evaluation of CABs is performed by one organization (International Organic Accreditation Service).

Proponents of the IFOAM Organic Guarantee System suggest that the international nature of the model and the reference to single guidance documents at each level avoids the need for equivalence negotiations or peer review between national accreditors. CABs recognize the equivalence of other accredited CABs on the basis of their accreditation, which permits organic producers supervised by the various CABs to trade freely.

Figure 2: Diagrammatic representation of the private sector model (IFOAM Accreditation) regulating the organic sector



1.2 The problems

Public and private sector systems work alongside each other and to some extent duplicate each other's work as there is a lack of formal recognition (in both directions) between the two systems.

The five papers prepared for ITF meeting in Geneva in 2003 indicate some of the problems with the way in which the trade in organic products is currently regulated. Figure 3 attempts to summarize the problems identified in the papers and discussions during the 2003 ITF meeting, and links them in a problem tree. It can be argued that the manner in which both public and private sector systems serve the sector leaves room for improvement.

Public sector systems impose different requirements on both organic products and CABs, resulting at worst in a need for multiple inspections and evaluations, and at best in reassessment of reports by different authorities. Claims of inconsistency in the way production systems and products are approved by different authorities are likely to continue as long as different rules and procedures apply and unified rules can be interpreted differently by different authorities.

The private system is, however, "weakened" in some instances by the additional standards requirements imposed by some "importing" CABs, which leads to extra verification checks being required (represented as a break in the horizontal equivalence links between CABs and between operators in Figure 2). The IFOAM Accredited certifier group is reported to be working to eradicate such extra requirements, some of which are said to be required to comply with legislation. In addition, in some markets, the power of the private labels is such that even though legal access is possible without entering via the local private label, the latter remains the preferred option from a market acceptance viewpoint (see further discussion of private labels below).

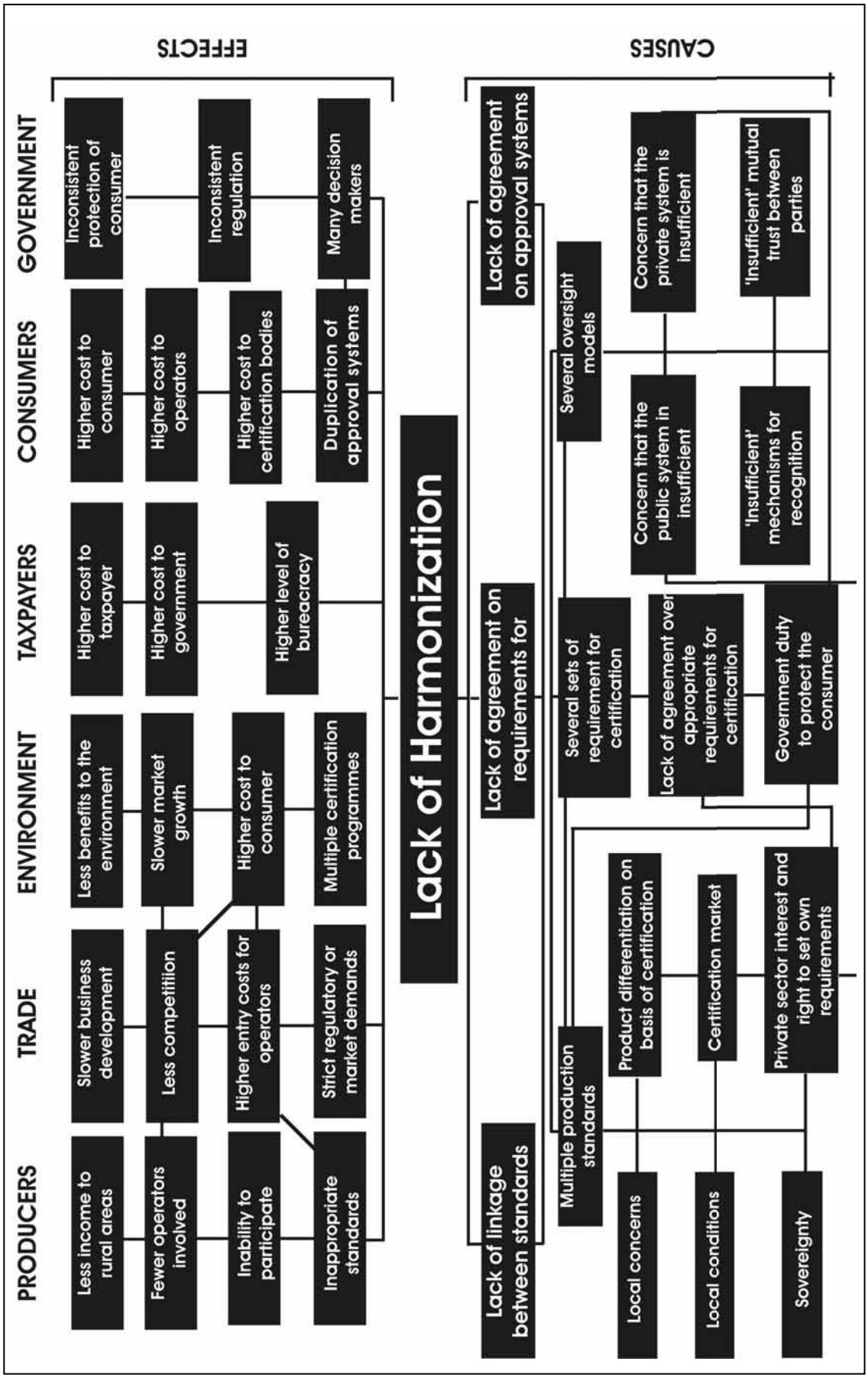
Lack of harmonization is identified as the core problem in Figure 3, with "causes" below and "effects" above. The "affected sector" (producers, consumers, etc.) is indicated at the top of the diagram and it demonstrates the ultimate spread of the impact of the problems. The diagram should be viewed primarily as an aid to visualizing problems and, broadly, their origins and effects but is unlikely to be complete. The evidence for stating a problem and its impact are currently based on common knowledge and experience rather than hard data. This lack of data on the impact of 'lack of harmonization' was also a problem in the preparation of the paper by Wynen (2005) and reference should be made to this paper for further detail. The collection of further data is likely to form part of the ITF's future work plan.

Nevertheless the message of this diagram is that there are three principal causes of problems:

- Lack of agreement, linkage or equivalence on standards;
- Lack of agreement or equivalence on certification requirements; and
- Lack of agreement or equivalence on the CAB approval/accreditation mechanism.

The result suggested is that we have a higher cost and more burdensome regulatory system than is necessary, achieving less than consistent results.

Figure 3: Summary of problems relating to trade in organic products represented as a problem tree



1.3 Harmonization tools

The box of tools available to us in harmonizing regulation of the organic sector was described separately in papers by National Board of Trade (2003) and Courville and Crucefix (2005). Figure 4 adapts and combines these analyses.

Level 6 represents a high degree of harmonization, perhaps where all organic producers work to a single organic standard and where the CABs are approved by a single authority against the same certification requirements. Such a system exists under the National Organic Programme (NOP) in the USA. The CABs operating in the USA (and overseas) act essentially as "agents" of government operating a conformity assessment system, which must comply with NOP rules and in their turn, the organic producers must also comply with all details of the NOP production rules.

The US NOP also incorporates mutual recognition in that it has determined that several foreign government (Denmark, New Zealand, the United Kingdom, amongst others) conformity assessment programmes are sufficient to ensure conformity to the technical standards of USDA's NOP, the so-called option 2 of the NOP.

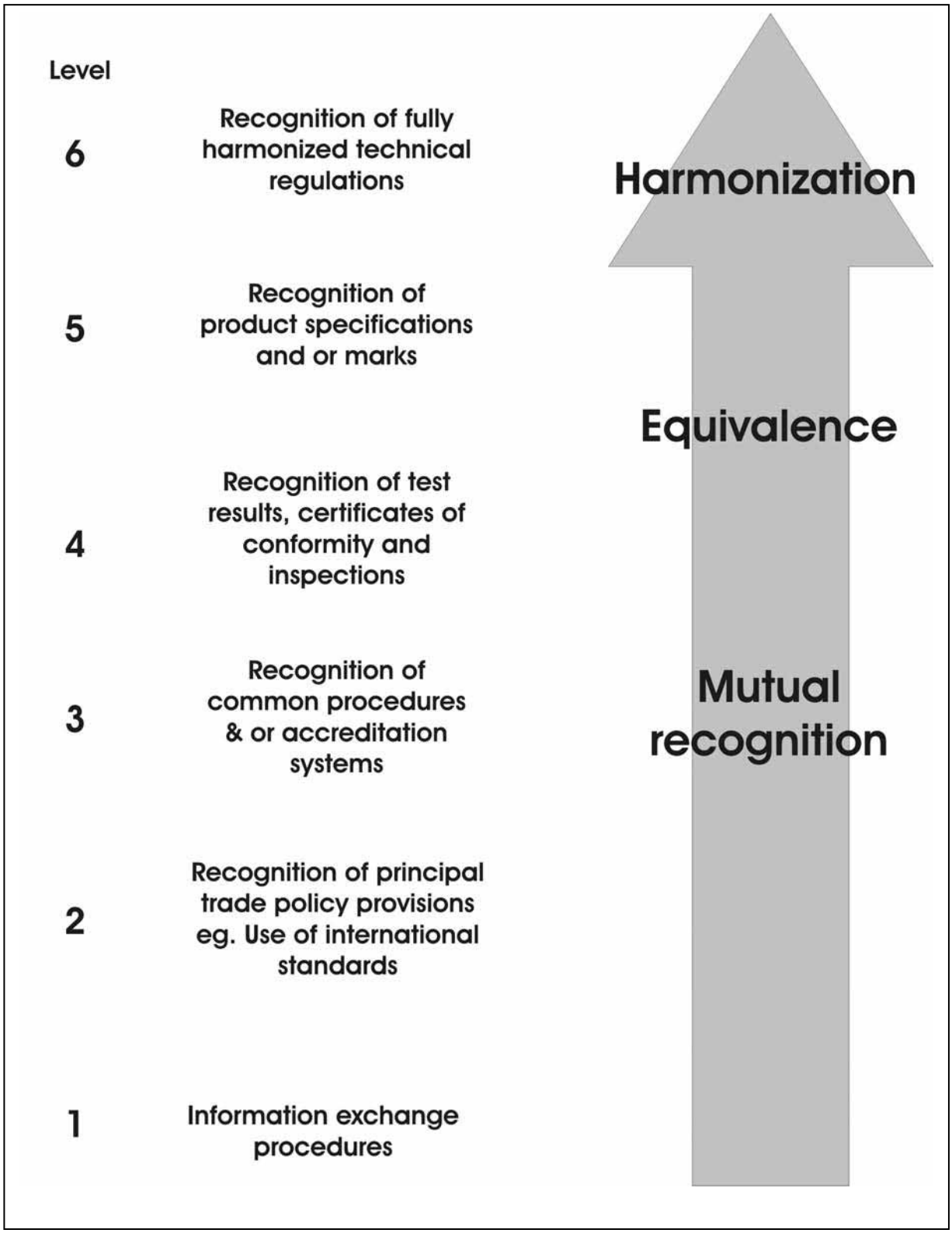
Multilateral agreements function between national accreditors under the auspices of the International Accreditation Forum, which provide for a mutual recognition of competence in performing the accreditation work. This, in turn, allows conformity assessment bodies and authorities to trust surveillance exercises performed by signatories in other parts of the world. This may not lead to product equivalence given that standards assessment does not form a part of traditional accreditation evaluation.[3]

The active multilateral agreement between IFOAM Accredited certification bodies is based on accreditation by the International Organic Accreditation Service (IOAS) to common baseline standards and conformity assessment requirements. This is an equivalence agreement based on a strong harmonization component in which each CAB can accept other's certificates as equivalent. The fact that IFOAM accreditation includes an assessment of organic standards as well as certification requirements provides an additional level of confidence in terms of product equivalence.

So it is clear that various harmonization tools are already being used in organic regulation and in any one system, a number of tools are being used. The higher up the arrow in Figure 4, the greater the convergence of procedures and standards and the greater potential simplicity of the system. It should, however, not be assumed that Level 6 is necessarily the ultimate goal.

[3] Accreditation to Guide ISO65, for example, is an assessment of competence to perform certification to a reference standard identified by the client CAB. The evaluation assesses that the CAB has the capabilities to interpret and certify to that standard, but it does not assess the standard itself. In IFOAM Accreditation, an assessment of the chosen organic standard is performed against the IFOAM Basic Standard.

Figure 4: Harmonization tools
(adapted from National Board of Trade [2003] and Courville and Crucefix [2005])



2 Considerations in finding long-term solutions

2.1 Background

The ITF meeting in Geneva 2003 included a brainstorming session to bring out potential solutions to the stated problems, bearing in mind the tools available. The meeting focused on an overall model and the following components of such a model:

- Governments/regulations;
- Private standards;
- Conformity assessment requirements;
- Certification; and
- Accreditation.

The main points are summarized and presented in Figure 5.

The issues indicated are a mixture of **requirements** of the model (e.g. transparency), **recommendations** (e.g. that CAC organic guidelines could be the reference international standard) and **question marks or alerts** (e.g. private labels). The diagram again helps us to visualize the potential components of a model that we will have to consider and their inter-relationships. The main points raised are summarized here but it must be realized that this does not necessarily imply agreement of the meeting on an issue or course of action.

Under **regulations** the meeting called for more flexibility and less detailed requirements and considered reference to the CAC Organic Guidelines, IFOAM Norms and Guide ISO65 to be desirable. However, the issue that governments have — and do — exercise a sovereign right to decide on what constitutes organic remains a starting point, even in a "globalized" world.

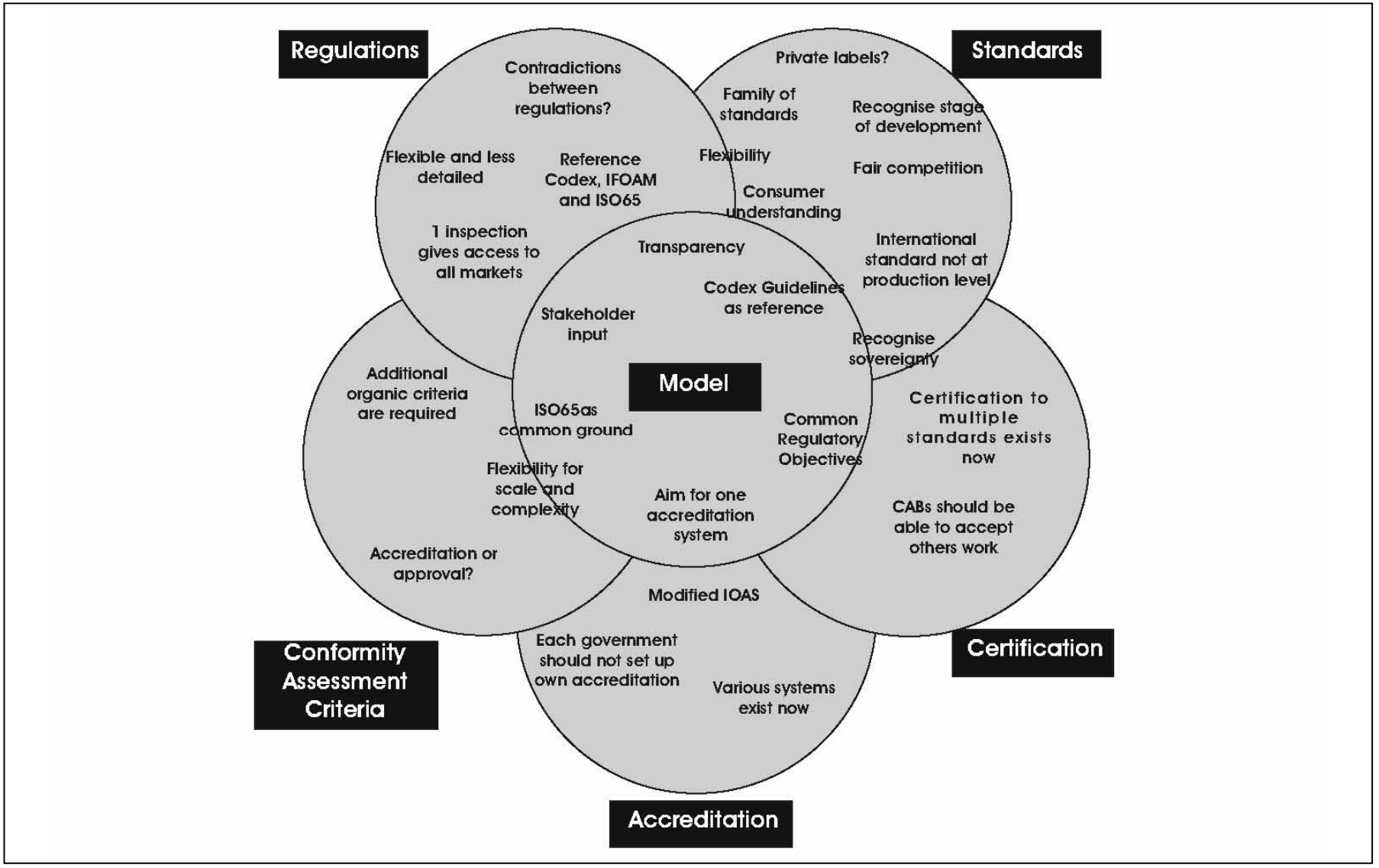
When considering **standards** the meeting recognized the existence of private labels and government sovereignty and raised again the issue of flexibility in relation to the stage of development of organic agriculture in different parts of the world while maintaining fair competition.

Multiple **certification** was noted as already existing and increasing where CABs conduct one visit checking against a number of standards. The desire that CABs should be able to accept one another's work was also expressed; "one inspection, all markets" was a consistent desire expressed.

On considering **conformity assessment requirements,** the meeting again raised the issue of flexibility appropriate to scale and complexity, while recognizing some common ground provided by Guide ISO65,[4] but also the need for additional "organic" requirements such as are expressed in Annex III of the EU Regulation 2092/91 and in the IFOAM certification requirements.

[4] Although it is only EU Regulation 2092/91 (Article 9.11) that directly requires that inspection bodies satisfy the requirements of EN45011 (ISO65), the US National Organic Programme requirements for CABs (expressed in sub-section F) are based on ISO65 requirements.

Figure 5: Summary of issues and solutions raised during the brainstorming session of October 2003



Under **accreditation (or approval)** the view was expressed that it does not make sense for governments to establish their own approval system, and that various models now exist and that a "modified" IOAS (an international accreditation model) could be a solution.

Finally, in bringing these various deliberations towards an ultimate **model,** the October 2003 meeting prioritized issues of working with a common international standard and common requirements for certification and developing a single accreditation system, which could be established with stakeholder input and transparency.

To take the problem analysis of Figure 3 further and compare issues with the discussion at the ITF meeting in Geneva in 2003, some of the causes of the problems, like multiple standards, are a fact of life that we perhaps have to live with. This is highlighted in the lower left hand corner of Figure 3. The ITF discussion to date has already noted that "local production conditions" (i.e. the need for regional standards) are an accepted aspect of organic agriculture and something we have to work with, rather than eradicate or resolve. "Local consumer concerns" are another issue though perhaps a little more complex.[5]

The issue of multiple standards and equivalence also relates to the level of detail in an international standard and there appears to be some broad agreement that any international standard must focus on core issues and avoid detail which, if needed, would be defined by regional or national standards; hence the concept of a "family" of interrelated standards noted in Figure 5.

Another 'fact of life' might be the right and duty of governments to impose legislation to protect consumers (and often livelihoods) and the right for private bodies to set their own standards. Although they may give rise to problems (i.e. multiple unrelated standards), they need not, in themselves, be problematic and may be seen in a positive light (private standards are flexible and generally apply pressure upwards whereas legislation can provide an ultimate backdrop of enforcement). The problems they give rise to must be dealt with, but we cannot deny either governments or private bodies have the right to act in this way.

Putting these issues to one side for now and focusing on the remaining issues, we can rationalize our problem tree (Figure 3) into a simplified version (Figure 6). This version of the problem tree takes into account the issues summarized in Figure 5 and sets out objectives and actions for increased harmonization.

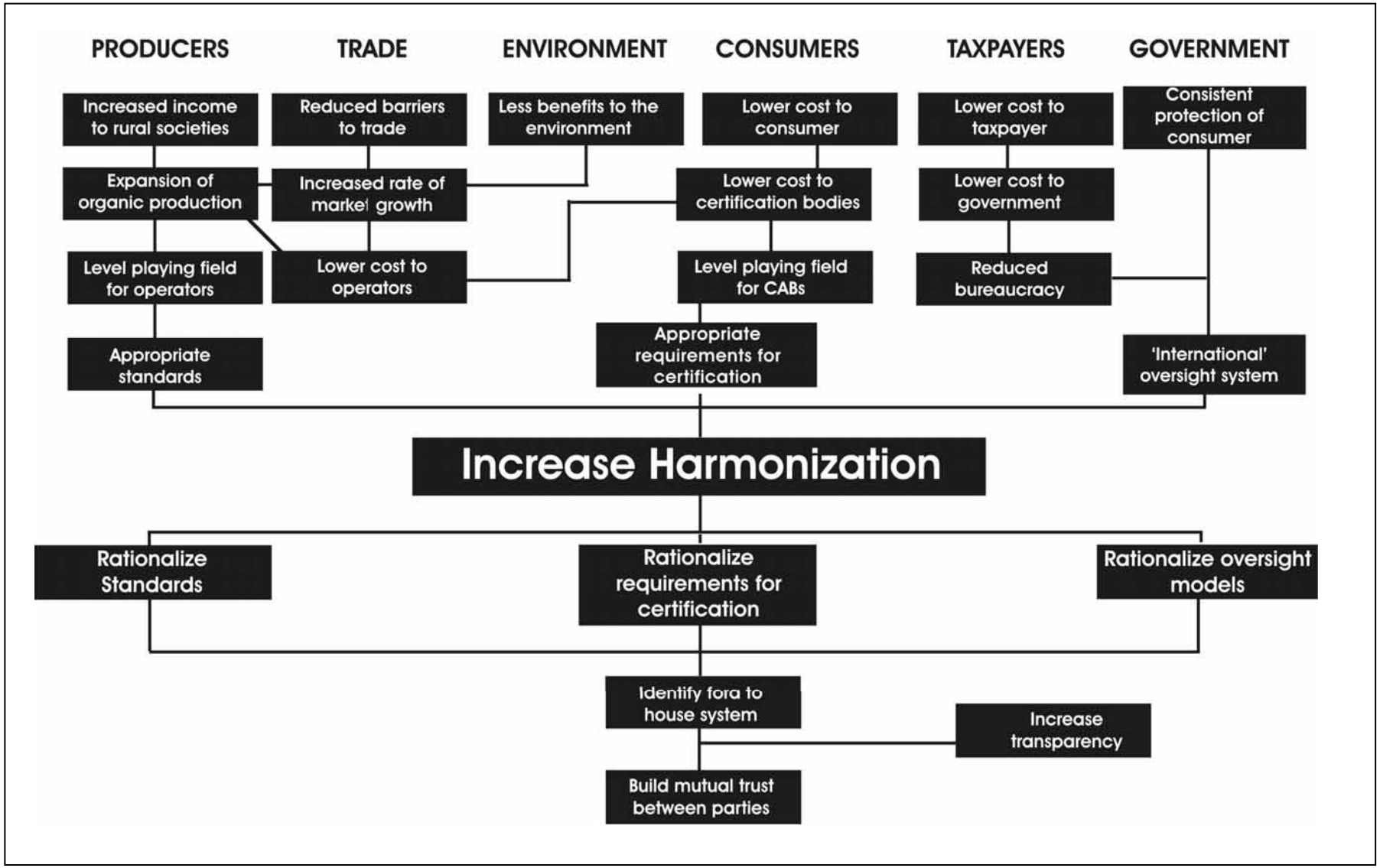
The core problem has become our core objective of "increasing harmonization" and this is made up of three main objectives:

- Rationalizing standards;
- Rationalizing certification requirements, and
- Rationalizing CAB oversight models.[6]

[5] For example, citizens in one market may consider that organic milk must come from grazing cows. In another market where this approach to land use is not customary, such an expectation many not exist. The question is how the expectation of a citizen in one market can be rationalized with the expectation of a citizen in the other market. If a respected international regulatory mechanism was able to state transparently that it was justified for producers in one country to keep ruminants without grazing access on the basis of sustainable land use, whilst in another that access must be provided, the question is, would the consumer be satisfied? Aspects of consumer acceptance are the subject of the planned work of the ITF and are raised in the work plan proposed later (see section 4.5.1).

[6] We could add here a fourth objective, that of rationalizing labelling and there may well be some interest in that. However, for now this is left to one side as it depends fully on the achievement of the previous objectives.

Figure 6: Final simplified objective tree



The objectives are wide ranging at this point in time in order not to exclude any possible solutions. Each one of these components can be dealt with using different harmonization tools and could be placed at different levels in Figure 4.[7] However, a critical phase in initiating these first steps is likely to be building trust between participants and increasing transparency, as indicated in the lower part of the figure.

2.2 Criteria for the assessment of solutions

With these broad goals identified, we need to not only refine them but also consider what model or combination of models might achieve them. Reviewing the problems defined, the solutions raised in the discussion to date, the tools available and the characteristics of the organic trade described by Courville and Crucefix (2005), it is possible to propose the following broad requirements for the development and implementation of a harmonized regulatory system in the organic sector. The list does not follow any order of priority, indeed all criteria should have equal weight.

Overall the model should:

Provide for continued growth of organic agriculture and maintenance of its principles

and more specifically be guided by:

1. Benefit to producers and consumers and the organic market as a whole

The regulatory systems' principal clients are the organic producers and consumers. All other participants may be important components, whether government or private sector control or accreditation bodies, but they are, in the end, just service providers.

2. Take account of national sovereignty

Governments have a responsibility to serve and protect their various constituencies and this must be recognized and respected. At the same time, overtly protectionist measures or even more subtle subsidy systems (see criterion 4 below) may limit the opportunities for access by "outsiders". At present this may result in "barriers" to trade. A new regulatory model must address and balance this anomaly.

3. Access to markets with minimal bureaucracy

The model should aim to provide access to all markets based on one inspection and as far as possible one certification decision. This is a common and expected aim of most harmonization efforts from which flows the need that the standards, inspection procedures and oversight can be seen to be the same or equivalent. By this means the model should remove unnecessary technical barriers to trade and in addition should in part reduce duplication of efforts in rule setting and decision-making.

4. Fair competition between operators

This is another essential and expected criterion that should guide the development of a harmonized model. Although this is a common aim, its achievement in bilateral and trilateral agreements is limited only to the participating countries or bodies. If our aims are to provide

[7] For example, are we thinking of harmonization around one standard or considering equivalence?

for fair competition among operators across the world, then bi- or tri-lateral negotiated agreements would seem inadequate. On the other hand, bilateral or trilateral agreements may be seen as a practical way of proceeding in the absence of a broader agreement[8]. The Rome ITF meeting emphasized that "fair" should be understood to mean a level playing field and efforts needed to be made to avoid implementing protectionist measures.

5. Adequate and consistent consumer protection and trust

This is a basic objective with the same limitations in relation to bilateral and trilateral agreements.

6. Sensitivity to different biophysical and socio-economic environments

This requirement addresses the need for sensitivity to different agricultural environments and the stage of development of organic agriculture (which impacts on production standards), and to the institutional, legislative and economic situation of any country which in turn may impact on control systems and oversight. For example, any model that required for its functioning, full legislation on organic agriculture and labelling in each territory would immediately exclude a good many participant countries. The third country recognition procedure of the EU Regulation is an example of this problem and the recently published EU Action Plan for Organic Food and Farming recognizes this (European Commission, 2004).

7. Stakeholder support and involvement.

Issues of mutual trust and feelings of engagement are important here. Like it or not, there are feelings of mistrust between private-private bodies, private-public and public-public bodies involved in the regulation of the organic sector. Additionally, there exists the dominance of the import markets over the export suppliers. If a new regulatory model is to be truly respected by producers, private control bodies, governments and consumers, it must seek involvement from all such parties.

8. Take account of market choice

There is a legitimate place for private companies to provide certification services, which may involve the setting of higher standards if there is a demand for such a service, or for buyers (whether at consumer level or trade level) to insist on higher standards to be met. At present this results in 'barriers' to trade. A new regulatory model must address this anomaly.

9. Transparency of operation and decision-making

Maximum transparency of operation, decision-making and provision of information is required to engender mutual trust and respect for any objective regulatory system.

[8] There are a number of factors that affect competition that are outside the scope of this paper, but which are nevertheless relevant to a discussion on fair competition. It can be argued that the initial and ongoing payments to EU farmers converting to organic farming distort any idea of fairness. They may also distort what is reasonable and unreasonable to require in terms of organic production rules.

10. Led by principal trade policy provisions

The WTO Technical Barriers to Trade (WTO/TBT) principles of reference to an international standard and recognition of equivalence where similar objectives are being met will be central to the establishment of a new regulatory system.

2.3 Review of models against criteria

This section reviews the models described by Courville and Crucefix (2005) in the light of the above criteria, assigning a crude scoring system. The reader is referred to their paper for background discussion of the models. The IFOAM accreditation model is also reviewed as an existing international model in the organic sector.

We are seeking an international mechanism and not all the models are fully international in nature. Although the individual models may, as a result, be marked down in certain circumstances, this does not mean that components of such models may not be of interest. However this scoring process allows us to pinpoint an initial "best fit" which may be the focus of initial investigation.

The overarching criterion (which was added at the Rome ITF meeting) of providing for continued growth of organic agriculture and maintaining its principles was not considered here given its specificity to the organic sector.

The general policy provisions as expounded by the WTO/TBT are included as a general guide to the process and the WTO "model" is also therefore not reviewed in itself. Table 1 provides a summary of the review, which is described in more detail below.

1. Benefit to participants

The scores here mirror those for fair competition and consumer protection as might be expected. Participants in this context refers to potential not actual, therefore regulatory mechanisms that have limited participation do not score as well as open participation models.

2. Take account of national sovereignty

National sovereignty is respected in all cases, including the models of WANO and ISTA which put more emphasis on the private sector. This seems to be achieved through government involvement.

3. Access to markets with minimal bureaucracy

The principle of access to markets with minimum regulatory burden is embodied in all the models except the World Association of Nuclear Operators (WANO) model, in which this aim is not relevant. The bilateral and trilateral models of the International Conference on Harmonization (ICH), the US-EC Safe Harbour, the US-EC Mutual Recognition Agreements (MRAs) and the EU new approach are marked down to partial fulfilment on the basis that the access is limited to the parties involved and not to the rest of the world. The CAC Guidelines on Equivalence, UNECE and ISTA models score well as, in theory, these models are open to all who participate. Additionally they are based on an international standard rather than rules negotiated between several parties, as in the ICH, or rules set by one party, as in the Safe Harbour and the US-EC MRAs. The IFOAM model is marked down on the basis that it does

not, in practice, provide access to all markets, although this has more to do with its lack of acceptance by authorities than any mechanistic problems.

4. Fair competition

Most models set out to achieve fair competition between producers, although once more this is not really an objective of the WANO system. The international models are again given higher scores for the reason that less than all-inclusive models cannot achieve fair competition for those not involved.

5. Consumer protection

Similar scoring is achieved to fair competition for producers although the WANO model can also be included as this is surely the intention of this model.

6. Sensitivity to different environments

This criterion receives the worst scores over all models principally because the bi- and tri-lateral models described require participants to provide similar institutional facilities. Such a requirement may, for example, require the existence of a manufacturers association or a government department responsible for trade and consumer protection. The lack of such institutions either excludes potential participants or makes negotiations difficult. The CAC Guidelines on Equivalence and UNECE models are, however, also limited to working through governments, and not all governments may currently view engaging in negotiations for equivalence for organic products as of sufficient priority, leaving producers in those countries with access problems. Both ISTA and WANO receive positive scores here because of their relative independence from these "environmental" factors.

7. All stakeholders

The pattern of scoring for involvement of all stakeholders is similar to that for environments above. It would be unfair to award low scores to those models other than ISTA and WANO as most models do attempt to address both public and private sector concerns. Bilateral and trilateral agreements are marked down for lack of geographical coverage and CAC Guidelines on Equivalence and UNECE are marked down because of the emphasis placed on governments.

8. Take account of market choice

Market choice, like national sovereignty is respected in all cases. However, none of the models necessarily expand on how higher private standards should be accommodated.

9. Transparency

This has been judged on the basis that transparency is provided where standards and procedures are published and publicly available, which in most cases they are.

In summary, the CAC Guidelines on Equivalence, UNECE, ISTA and IFOAM models score most promisingly.

The various models exhibit some or all of the requirements emerging from our earlier analysis as follows:

- An international arbiter or oversight body;
- Stakeholder participation and transparency;
- Involvement of international organizations and governments;
- One international rule set; and
- One international operating requirement set.

Table 1: Evaluation of various models of harmonization against the proposed criteria[9]

Criteria	ICH [10]	Safe Harbour [11]	CAC[12]	US-EC MRAs[13]	US-EC Marine[14]	UNECE [15]	ISTA[16]	WANO[17]	EU approach[18]	IFOAM Accreditation
Benefit participants	-+	-+	+	-+	-+	+	+	-+	-+	+
Respect sovereignty	+	+	+	+	+	+	+	+	+	+
Access to all markets	-+	-+	+	-+	-+	+	+	NR	-+	-+
Fair competition	-+	-+	+	-+	-+	+	+	NR	-+	+
Consumer protection	-+	-+	+	-+	-+	+	+	+	-+	+
All environments	-	-	-	-	-	-	+	+	-	+
All stakeholders	-+	-+	-+	-+	-+	-+	+	+	-+	+
Respect market	+	+	+	+	+	+	+	+	+	+
Transparency	+	+	+	+	+	+	+	-	+	+

[9] Key: - Not provided for -+ Provided for in part + Provided for NR not relevant - by or to the model reviewed
[10] International Conference on Harmonization within the pharmaceutical sector with main actors being the US, EU and Japanese pharmaceutical sectors.
[11] US-EC Understanding on the Principles for Data Privacy Protection.
[12] Codex Alimentarius Commission Guidelines for the Development of Equivalence Agreements regarding Food Import and Export Inspection and Certification Systems.
[13] US-EC Mutual Recognition Agreement covering six sectors: telecommunications equipment, electromagnetic compatibility, electrical safety, recreational craft, medical devices and pharmaceutical good manufacturing practices.
[14] US-EC Mutual Recognition Agreement on Marine Equipment.
[15] United Nations Economic Commission for Europe International Model for Technical Harmonization based on Good Regulatory Practice for the Preparation, Adoption and Application of Technical Regulations via the use of International Standards.
[16] International Seed Testing Association.
[17] World Association of Nuclear Operators.
[18] EU "New Approach" for harmonization of standards and the "Global Approach" for conformity assessment.

3 Long-term Goals and Strategies

It was originally proposed in this document that the long-term strategy for a new international regulatory mechanism for organic agriculture and trade adapts a model based on that of ISTA and/or IFOAM, utilizing the neutral territory offered by the CAC Guidelines on Equivalence and UNECE models where possible. These models will no doubt still contribute certain aspects to a future harmonized system. However, during the Rome ITF meeting (November 2004), it was generally agreed that the solution must develop based on existing mechanisms within the organic sector, both public and private, rather than construct a new infrastructure and institutions.

The model should be designed to meet the criteria expressed in Section 2.2 above, through structures and mechanisms that provide for:

- Production standards equivalent to one international reference standard;
- One international requirement for conformity assessment; and
- Common or equivalent accreditation/approval mechanisms.

These emerge as common characteristics in the models that scored most highly against the established criteria. In more detail, the following characteristics of a harmonized system are proposed as follows:

3.1 Production standards

3.1.1 An international set of basic standards agreed and maintained by an international forum with input from all stakeholders. This standard may be the existing CAC Organic Guideline, the IFOAM Norms or possibly an amendment of the two.
3.1.2 This guideline standard should avoid too much detail and embody the "common regulatory objectives" or the essence of "organic" rather than the detail.
3.1.3 National governments could either reference the international standard in legislation or set their own national standard, ideally following the format of the international standard. How this might be implemented needs some investigation.
3.1.4 Private standard setters within the jurisdiction of the legislation would be assessed to meet these standards but higher standards would be permitted.
3.1.5 To aid transparency, a common standards format might be agreed so that national and private standards can be seen to be equivalent.
3.1.6 Operators and CABs in countries where no legislation exists would not be disadvantaged because they could likewise establish their own private standard or in some way use the international standard as a baseline.
3.1.7 International trade, at least in terms of legal access to a market, would be on the basis of the international standard.
3.1.8 An approval mechanism to ensure that CABs were verifying production at an equivalent level of the international standard (or a higher national or private standard where appropriate) would be required.

3.2 Requirements for conformity assessment

It can be argued that there is greater scope and justification for harmonizing conformity requirements at the level of certification than for production standards. They are less 'environmentally and institutionally' sensitive, although care should be taken to ensure that the requirements provide for certification of integrity without favouring or penalising either large or small CABs, or that procedures resulting from the norms are putting undue burdens on (disadvantaged) producers.

So the aims would be to:

3.2.1 seek agreement on one harmonized set of conformity assessment requirements. Guide ISO65 and the adaptation of this document to organic inspection and certification (which forms part of the IFOAM Norms) should be the basis of this reference document but, as for the international production standard, in less detailed form;
3.2.2 give consideration to ensuring the requirements are scale sensitive and provide for some flexibility based on implementational context;
3.2.3 seek an international forum for developing and maintaining such an agreement. In other words, what body will maintain and develop this document? It was recognized at the Rome ITF meeting that the CAC Organic Guidelines do not include conformity assessment requirements.

Having said that there is a good basis for agreement of common international requirements for conformity assessment at the level of certification, there are variations between the requirements in the three main regulations (EU, Japan and USA) and those of IFOAM, not only in detail but also in the form in which they are described. For example, the EU Regulation 2092/91 references ISO65 in its entirety, but in Annex III adds further requirements specific to the organic sector. Together these requirements show similarities with the requirements specified in the IFOAM Norms. The Japan Agricultural Standard specifies requirements on education of personnel in CABs but includes little detail on inspection and certification procedure. Inspections are largely influenced by the documentary requirements imposed on the operator, which in turn are influenced by the ISO9000 series on quality management. Such variations should be considered in trying to settle on a common conformity assessment requirement for certification.

3.3 Approval or the accreditation model

The guideline for conformity assessment requirements at the level of accreditation is generally accepted as ISO61 and its recent replacement ISO17011. The IAF recently agreed that all of its members should be in compliance with the new guideline by January 2006. During 2004, the USDA approval system for CABs was assessed against ISO61. Also in 2004, the IOAS was evaluated and recognized as being in compliance with ISO61 by the US Department of Commerce National Institute of Standards and Technology. Mechanisms of CAB approval and recognition in the EU Member States and Japan are less open to scrutiny.

However, the structures and mechanisms for implementation are less clear. Although the international accreditation model illustrated in Figure 2 appears as the simplest and most transparent regulatory model, national models could also work if standards and requirements are harmonized and should not be rejected at this stage. Both accreditation models already function in the organic sector and it was the general conclusion of the Rome ITF meeting that any "new solution" should grow out of current structures and mechanisms.

The international model eliminates the necessity for peer review between national accreditors. Oversight of the competence of the body implementing such a system may be required for credibility by some independent forum although this does not appear to be the case in the ISTA model. An international accreditation model may cut across certain governments' current policy that accreditation should be performed at national level by one body.

The national model is the traditional model and is generally accepted by governments. One reported disadvantage experienced by the national model is the initial lack of expertise in the field of organic agriculture by some national authorities or accreditors. A further problem is that many countries, particularly developing countries, do not have national accreditation bodies. Some of the advantages of the national model over the international model relate to the potential ability to do more frequent audits and spot checks, greater familiarity with local legislation and of working in the home language.

However, accreditation of CABs to ensure competence is only one of a number of possible routes. None of the EU, Japan and USA regulations require formal accreditation, although certain EU Member States include such requirements in their national legislation. In most circumstances government departments are charged with approval and oversight of CABs operating in their territory and in approval of foreign CABs verifying product destined for import into their country. The EU recently proposed to amend import approval by approving certain expert bodies (accreditation bodies) to conduct evaluation and oversight (EU Commission, 2004).

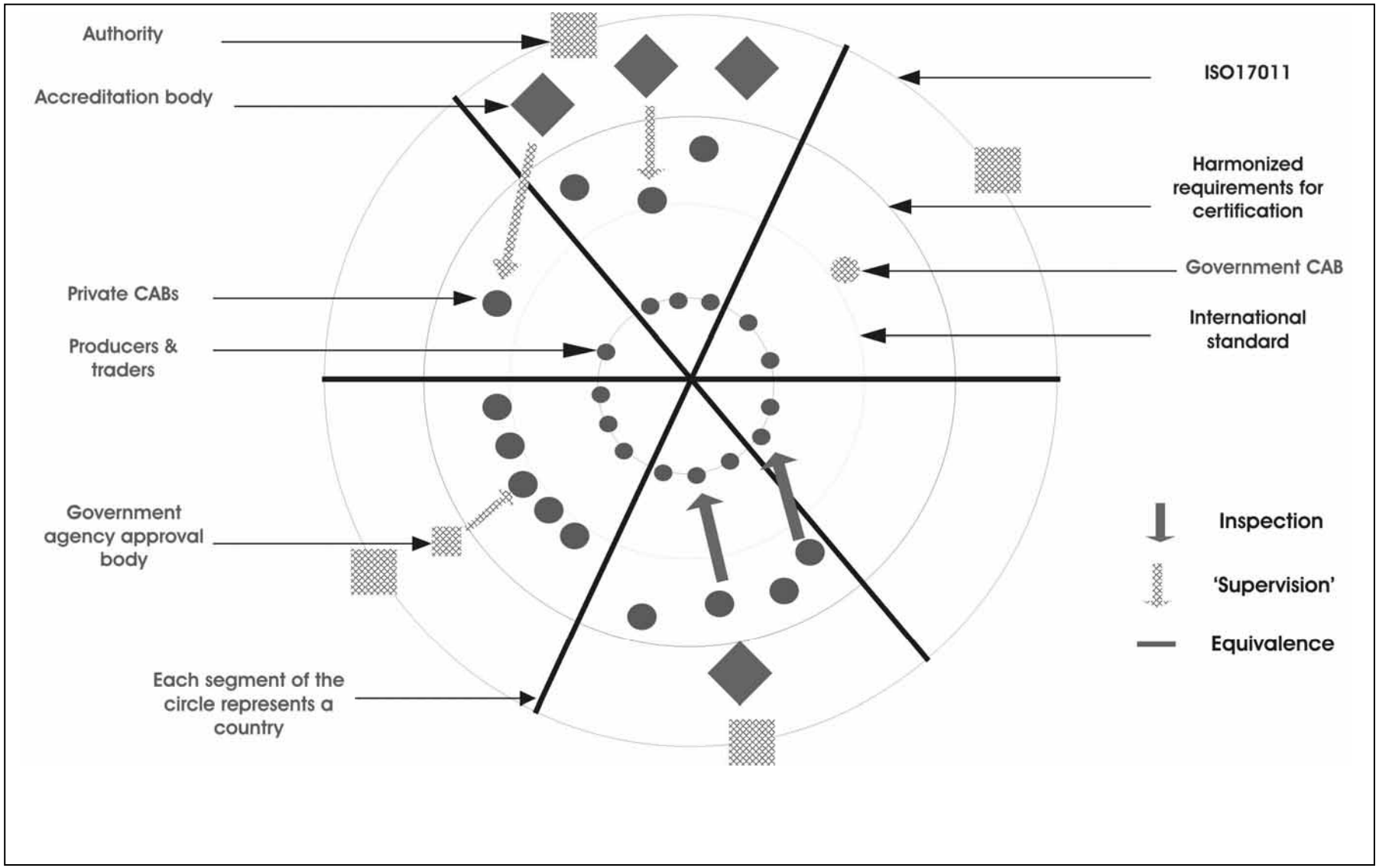
The following options would appear to be available :

3.3.1 adopt the international accreditation model with its inherent single international norms;
3.3.2 adopt a national accreditation model using harmonized conformity assessment requirements and standards;
3.3.3 both national and international models continue in parallel but with an agreement on the single international standard and conformance assessment requirements;
3.3.4 a combination of the two models in an attempt to realize the advantages of both systems. Either an international model could use local personnel or a national model could use "international organic" expertise;
3.3.5 evaluation and surveillance by various expert entities, which provide reports to government authorities that in turn, make the final decision as to whether a CAB is approved.

Any one, or all, of these options could work if the elements in Sections 3.1 and 3.2, i.e. the international reference standards and conformity assessment requirements, have been agreed and the approvals obtained under any one of the above mechanisms are deemed equivalent. In this way the "one inspection - all markets" goal can be achieved.

Consideration would also need to be given as to whether the assessment of compliance of standards is included in the accreditation/approval process, or evaluated separately by another body, remembering that the standard may either be embodied in national legislation such as the US National Organic Programme (NOP) or a private standard developed by an NGO in a developing country. A diagrammatic representation of the new model is presented as Figure 7.

Figure 7: Diagrammatic representation of harmonized model for regulating the organic sector



3.4 Issues arising

A new solution would fulfil the criteria if:

- Inspection is performed of an operator against a standard clearly linked to, and at the level of or above (i.e. equivalent to), the international standard;
- Inspection and certification is performed in line with the international requirements for conformity assessment at the certification level;
- The standards and certification are deemed to be in compliance by an international or national accreditation body or government office working to ISO17011;
- The body conducting the accreditation or approval is "recognized"; and
- Trade takes place based on the level of the international standard.

The following issues would have to be considered in relation to each of the required criteria for assessment of solutions proposed earlier in Section 2.2.

3.4.1 Benefit to participants

Less duplication of efforts, greater linkage and transparency in norm setting and an expected increase in the uniformity of application of standards and control should reduce the cost of the guarantee system worldwide, as well as improve its consistency and enhance confidence in organic integrity. These effects will benefit both producers and consumers and the organic trade as a whole.

Issues

a) Depending on how both governments and private organizations choose to engage and implement such a model, a decrease in the size of the organic regulatory sector could be expected which could lead to loss of jobs in some organizations. On the other hand, such a result would be construed as a benefit in other organizations where there are insufficient human resources to administer the system.

3.4.2 Respect sovereignty

The model neither requires nations to enact legislation nor does it prevent them from doing so, nor indeed from setting higher standards.

Issues

a) As indicated above, to enable free trade, the model requires those who set higher standards to accept the international standard as the level for trade. This may be considered an incursion on sovereignty or undermining domestic producers.
b) This then raises the question that, if governments accept to set higher standards, what is the willingness (and legality in terms of a label guarantee) of either government legislators or private standard setters using the international standard as the basis for trade?

3.4.3 Access to markets

In principle, the "one inspection - all markets" goal can be achieved but there remain some uncertainties that must be addressed.

Issues

a) Where national or private standards exist that are more stringent than the international standard, insistence that imports meet these requirements will create barriers to trade and weaken the "one inspection - all markets" goal.

b) This, in turn, raises the question as to the willingness of both government legislators and private sector standard setters to either reference or use as a basis an international standard, given that a lot of time and money have been invested in setting up individual country and private standards. Legal access to the market may be more achievable. At least, if this was achieved, then organic labels could be left to compete on a free market.

3.4.4 Fair competition

Again in principle, fair competition is assured by the reference to an international standard and requirements for certification but this is again threatened by the freedom to set higher standards.

Issues

a) If an exporting country has what are considered to be "lower" standards than the importing country, the export producers may be considered to have an advantage over domestic producers in the importing country. This could lead to downward pressure on standards or, at least, a settling of standards to a lowest common denominator permitted by the international baseline. Some would see this erosion as a threat to the existence of an organic identity. Others may see the "simplification" or a reduction in stringency of organic standards as an acceptable price to pay for harmonization.

b) IFOAM has an ongoing effort to address equivalence and has developed Criteria for Regional Variations of the IFOAM Basic Standard. The American Organic Standard and the Italian Common Standard[19] have been reviewed by this mechanism.

3.4.5 Consumer protection

The same issue arises. Consumers should be guaranteed organic integrity at the level of an international standard but again variation in standards, whether between private bodies or between nations, may be seen as confusing and undermining of the guarantee.

Issues

Is it acceptable for a product of "less stringent" organic requirements to be sold as of the same organic integrity as a product of "more stringent" requirements if there is sufficient transparency in the regulatory system? For example, a private standard setter could make it

[19] The American Organic Standard is a private sector standard developed through a consultation process in the USA led by the Organic Trade Association. The Italian Common Standard was developed during 2004 by a group of CABs as a common certification standard.

clear in its standards that ingredients or products not certified directly by it were at least at the level of a recognized international standard, but could be below its own more stringent requirements.

3.4.6 All environments

The existence of international norms and an agreed system of approval that can operate nationally or internationally permits CABs, and therefore operators, in all countries to access the international market irrespective of whether adopted legislation is in place in their own country. Similarly, no negotiation of equivalence is required between a powerful importer and a weak exporter.

Issues

A related issue here is the important one of whether an international standard can be agreed given the wide variation in "environments" where it has to apply. Current international standards are criticized by some as being too weak and by others as too stringent. The Rome ITF meeting generally agreed that international norms should focus more on principles but recognized that an element of interpretation may enter into play, again leading back to a perceived inequality in standards from country to country and a return to the need to recheck compliance.

3.4.7 All stakeholders

The extent to which this is achieved would depend on the nature, structure and operating procedures of the national and/or international fora which might oversee the maintenance of the international norms.

Issues

This then raises the question of which fora are envisaged to oversee the agreement and maintenance of the organic norms (both production standard and conformity assessment requirements). Given the Rome ITF meeting's general conclusion that existing fora should be used rather than establish new ones, it may be that CAC should retain and strengthen its role as caretaker of the international organic standard. However, the proposed adaptation of Guide ISO65 raises the issue of who will then manage its maintenance and development. Accepting Guide ISO65 has the advantage of not having to find a new home for it, but the disadvantage of continuing to work with an ill-adapted set of requirements. The same issue of stakeholder input and ownership is raised by the "recognition" of bodies that may evaluate and approve CABs. The IAF currently offers a vehicle for peer approval for accreditors, and the use and adaptation of its "services" would again avoid the need for inventing new structures. The Rome ITF meeting agreed to invite the IAF to contribute to these discussions.

3.4.8 Respect market choice

The model allows for private standard setters to utilize the international standard itself, but it does not prevent them from maintaining their own and stricter standards should they so wish. It would, however, encourage them to format their standards in such as way as to allow easy comparison.

Issues

a) As indicated above, to enable free trade, the model does require those who set higher standards to accept the international standard as the level for trade. Private standard setters and their constituency are therefore being asked to accept "equivalent products" at the same level as their own. Equivalency and how it is judged fairly therefore becomes key.

b) As for governments, if it is accepted that the private sector may set higher standards, what is the willingness (and legality in terms of a label guarantee) to use the international standard as the basis for trade? Assuming that private standard setters are driven by consumer demand, the acceptance by consumers of such equivalence mechanisms is therefore important.

3.4.9 Transparency

The requirement to reference, link to, and structure standards and certification requirements in the same way as the international norms will assist transparency and simplify comparison and evaluation.

Issues

a) Further effort will be required to achieve full transparency in terms of standard setting and approval of national norms;
b) The CAB approval or accreditation system will also need to strive for maximum transparency without endangering confidentiality;
c) In turn the system of recognition of bodies competent to evaluate CABs must also be transparent;
d) The difficult process of equivalency judgement will need special attention in terms of transparency; and
e) Web-based information may provide a useful tool for providing transparency.

3.4.10 Principal trade provisions

Reference to international norms is a clear requirement. Trade at the level of the international norm and acceptance of equivalence is also inherent in the model.

Issues

Questions relate to the willingness of national governments and private standard setters to reference an international standard in the spirit of harmonization, and to accept as equivalent those standards and control systems that can be shown to "meet the same regulatory objective".

4 Work Plan

We have identified:

a) Criteria for the assessment of solutions for harmonization of regulation of the organic sector. These have led us to develop initial objectives for a solution and should continue to guide us during the work programme established below;

b) Three main areas for attention broadly called:

- Rationalization of standards;
- Rationalization of conformity assessment requirements at the certification level, and
- Rationalization of the approval mechanism of CABs;

c) A proposal based on one international standard, one international conformity assessment requirement and an array of possible mechanisms for recognition of CABs;

d) A number of considerations, requiring further investigation or information from other sources, that should feed into the process as we move towards a harmonized system;

e) A number of alternative approaches to be investigated on the way.

What follows is a three-year work strategy based on the original proposal in earlier versions of this document and the discussion held at the Rome ITF meeting in November 2004. It comprises six parts, the first three being focused on: a) standards; b) conformity assessment requirements, and c) the approval/accreditation mechanism as described above. In support of these main pillars of the work a further three parts will comprise: d) identification of fora to house the development and maintenance of the work; e) collection of information to guide the development of the solution, and f) practical implementation and outreach of the work of the ITF.

Given the many interested parties: governments, international institutions, NGOs, private business and producers and consumers throughout the world and the many initiatives currently being implemented, it seems wise to settle on an overall goal (even if all the details are not well defined) and develop a short-term work plan towards this end. In the second half of 2007, the ITF should reassess progress based on all the information gathered and the initiatives undertaken and should be in a much better position, with both outputs from the various actions completed and with a more informed stakeholder base, to define what might be a final work plan towards an active harmonized system.

Table 2 provides a summary of actions, outputs and approximate time frames until the end of 2007 and the details of each group of actions are described in the text below. Each action will now require the development of a more detailed concept note to guide their actual implementation. In some cases, no concrete actions are proposed at this time but external actions or considerations should feed into the work plan.

4.1 A - Rationalization of organic standards

The rationale is the ultimate acceptance of **one international basic standard,** which can be accepted and used as a point of reference**.** Recognizing that we already have two such standards (i.e. the CAC Organic Guidelines and IFOAM Norms) the focus of effort is to consider how we can bring one, both, or an amendment thereof, into a more prominent position as a regulatory tool. The preference at the November 2004 ITF meeting appeared to be to accept the CAC Organic Guidelines as the international standard. It is envisaged that the international standard could be referenced without alteration by national regulations and private standard setters, or be used as a baseline to which other requirements or detail are added to adapt the standard to local conditions. To a certain extent, this is already happening. What has not happened to date is that trade should be able to take place at the level of the international standard.

To assist in moving towards this goal the following short-term actions are proposed:

4.1.1 Database system for assessment of multiple norms comparisons

The aim here is the development of a tool to provide and manage up-to-date multiple analyses of the similarities and differences between the two international organic norms and the three main regulations. The database design should anticipate that other norms would be added later. A number of analyses have already been performed in recent years but such studies quickly become out of date. In 2002/2003 a private Finnish company went some way towards developing a database that could handle such comparisons with the aim of providing services to government authorities and organic processors, but the project was shelved for commercial reasons. The EU addressed this issue in Action 2 of its Action Plan on Organic Farming (EU, 2004). The EU database is under development and will be Internet-based so that it can be kept up to date by certification bodies themselves. Under the FAO, the FAOLEX database gives electronic access to organic agriculture regulations.

Maintaining a norms comparison database under the oversight of an organization is feasible. The first objective of a database would be to analyse the differences in regulations and the underlying political objectives with the ultimate goal of finding ways to bridge the identified gaps. The ITF agreed in November 2004 that the database has to fulfil the following criteria:

- It is publicly available so that it can be used as a reference by countries/standard setters when developing their regulations;
- It is organized according to subject matter;
- It allows for multi-standards comparison;
- It is multilingual; and
- It is not meant to assess the quality of a standard.

Time frame: by June 2006

4.1.2 Comparison of the CAC Organic Guideline and the IFOAM Norms.

The CAC Organic Guidelines and IFOAM Norms are the two international organic baseline standards and are already known to be quite similar in terms of production standards. The CAC Organic Guideline however includes little that could be considered certification requirements, whereas the IFOAM Norms include requirements for conformity assessment (see action 4.2.1 below). A previous comparison of EU Regulation 2092/91 with both CAC

Organic Guidelines and IFOAM Norms was performed in 2002 (Schmid, 2002). A new comparison should update the analysis and will focus on the production standard, the purpose being their potential harmonization as one international reference. It is noted that IFOAM standards are clearly written as 'standards for standards' whereas the CAC Organic Guidelines are closer to a production standard, and this should be taken into account when performing the comparison. Both, however, assume that more specific standards may de developed at the local level.

Time frame: by June 2006

4.1.3 Comparison between EU regulation, USDA NOP and Japan Agricultural Standard (JAS) requirements.

The three regulations in place in the main organic markets have influenced all others. All three include production standards and include or refer to separate certification requirements, but all are structured quite differently and do not permit easy comparison. The European Action Plan for Organic Food and Farming (EU, 2004) notes that a comparison should be performed of EU Regulation 2092/91 against the CAC Organic Guidelines and the IFOAM Norms. Liaison with this initiative is encouraged. It is also assumed that during the negotiations between Japan, Europe and USA to determine equivalence, some analyses will have been performed. As mentioned before, the main aim of these analyses is to provide a solid and objective basis for initiating moves to harmonize. The analysis should address both production standards and requirements for certification.

Time frame: by June 2006

4.1.4 National and private labels and trade at the level of an international standard

It can be anticipated that both national governments and private standard setters will wish to maintain control over the level of their standards, adapting them to their own environment and stage of development. It was pointed out at the November 2004 ITF meeting that national and private standard setting is one of the few areas where farmers may still feel involved in the system and there was general agreement that any new regulatory solution should respect this need. The hope is that local standard setting may increasingly be done with reference to the international standard and perhaps in a standard format, so permitting easy comparison. The European Commission Action Plan also recognized private labels as an obstacle to trade.

In November 2004 the ITF considered that one way to address this problem is to accept the existence of differences in standards and to try to overcome the negative effects resulting from this situation. One example is the IFOAM system with its one international mark and its mutual recognition agreement. The main action here is to investigate how national legislation and private standards could permit trade at the level "equivalent" to the international standard, how such equivalence would be determined and under whose authority. Questions to be answered include: what changes might be required in legislation and standards to permit this; and what non-compliances might arise with relevant accreditation requirements?

A further issue to be considered is to what extent consumers understand or are concerned about the differences in organic standards that represent the foundation for the different marks. This will be taken up in the consumer survey proposed in Section 4.5.1.

Time frame: by end of 2006

4.1.5 Considerations:

a) In settling upon and/or amending an international organic standard, consideration must be given on whether it serves the role of a set of guiding principles or of a standard which can be taken off the shelf to use as a production standard.

b) Should the international standard serve as a baseline below which no standard should go, thereby possibly being so low it has little meaning, or should the format of the standard allow for derogations under specified circumstances?

4.2 B - Rationalization of conformity assessment requirements

4.2.1 Review of Guide ISO65 to adapt it to organic requirements

The IFOAM Certification Criteria, published as part of the IFOAM Norms 2002, and the Guide ISO65 are the two formal reference documents currently used in the organic sector which describe the requirements for conformity assessment. The IFOAM requirements have been adapted from Guide ISO65 specifically for the organic industry. A comparison of the two documents has recently been performed by the IOAS for IFOAM (Commins, 2003). At the November 2004 ITF meeting it was agreed that ISO65 is not adapted to the needs of organic conformity assessment as some of its requirements were too detailed and others not detailed enough. The meeting agreed that a new look should be taken at Guide ISO65 to adapt it to organic needs taking into account that the IFOAM requirements were originally developed in exactly this way. The review should consider the recent changes to the IFOAM Norms, which removed some “ISO65” elements that were considered unnecessary.

Time frame: by June 2006

4.3 C - Rationalization of approval and accreditation model

As we move forward with the aim of having available a single international reference standard and conformity assessment requirement, the issue of enforcement or verification becomes the focus of attention. The November 2004 ITF meeting concluded that, in spite of the attractiveness of the idea, a single international accreditation was probably not practical, but that the aim should be for one CAB evaluation which leads to multiple approvals by national or supranational authorities. The aim should be that the CAB evaluation is conducted against the international norms rather than any specific country norm, so that “one evaluation fits all”. This again links back to the crucial acceptance that access to markets should be on the basis of accepted international norms rather than full compliance with domestic legislation and private standards.

No specific short-term actions by the ITF itself are proposed at this time other than the ITF to be kept informed of the following ongoing activities and considerations.

4.3.1 Considerations:

a) ITF to be kept informed of the collaborations already ongoing between the IOAS and national accreditors. In these collaborations, joint CAB audits are being conducted and

increasingly one audit is performed which results in two accreditation decisions by the participating accreditors;

b) ITF to be kept informed of the proposed collaborations between the IOAS and certain government authorities, which are also aimed to result in one evaluation and two decisions; and

c) ITF to be kept informed of the development of the EU Commission proposal on import approvals which may identify expert bodies that can conduct direct evaluation of CABs, so allowing them access to an approved list for import.

4.4 D - Fora for maintenance and development of a harmonized model

One of the conclusions of the November 2004 ITF meeting was that a new regulatory model should, as far as possible, rely on existing national and international structures, rather than establish new institutions. Given the assumption, as has been argued by the ITF, that we need a new solution to regulating organic trade, then the emphasis becomes more on amending and adapting the systems and structures we have. Though other models that we have looked at may still provide us with ideas, we are focused more on utilizing better what we already have.

Based on this premise, it is assumed that much decision-making is retained at the national level. Nevertheless, a new model may still require the involvement of international fora to house and maintain international standards and conformity assessment requirements and possibly to approve the competent bodies to conduct accreditation and approval. Acceptance of the CAC Organic Guideline as the international standard — Guide ISO65 — as the international conformity assessment requirement, and the IAF or national governments, as the bodies able to designate approved accreditation bodies would bring us full circle to the position we are now in. However, we have accepted that in its present form, this model is not working effectively.

4.4.1 Considerations

a) By accepting the CAC Organic Guidelines, the Guide ISO65 or the IFOAM Norms as the international norms we have available a ready-made institution in which to house the norms. The issue then becomes whether the various institutions can provide the necessary engagement and stakeholder input that our agreed criteria for assessing solutions requires. It is assumed that governments could more easily accept standards from CAC and ISO than they could those from an NGO like IFOAM.
b) Not every country has established a national accreditor and not every country has the legislation or the capacity for government departments to approve and oversee local CABs. The IOAS currently works internationally as do some IAF members. The IAF should be invited to contribute to the discussions of the ITF and to assist in developing a mechanism for approval of accreditation bodies that permits CAB approval worldwide.
c) Given the current situation where government departments are providing approval to CABs rather than formal accreditation bodies, and that, at least domestically, governments are expected to want to continue with this system, how will equality of approval/accreditation be assured?

4.5 E - Evidence and information to support and guide the harmonized model

In support of the main actions described above, the ITF has agreed upon the following activities in order to provide background information to the development of a new regulatory model.

4.5.1 Consumer survey

A consumer survey was first proposed as a necessary contribution to the work of the ITF in the initial work programme drafted in February 2003. The survey's brief will be further formalized through a detailed concept note.

Time frame: by June 2007

4.5.2 Equivalence judgement

It can be expected that judgement of equivalence between organic standards will continue to be a significant building block of an international system. IFOAM Policy 25 allows for approval of national or regional standards as an approved variation of the IFOAM basic standard. Policy 42 sets down criteria for assessing such variations. To the writer's knowledge, this is the only transparent attempt to conduct such an exercise and the experience gained will be invaluable in any future attempt to judge equivalence between organic standards. The American Organic Standard is already some way through this process and its finalization should be encouraged. An Italian group of CABs has also submitted a unified organic standard to IFOAM to undergo the same process. In both cases, the objective from the proposer's viewpoint is that once approved, the user would not need to submit them for assessment when applying for IFOAM Accreditation. The ITF's interest here is to learn from the experience and it may wish to commission a report from IFOAM and the client on the difficulties experienced and proposed modifications. It is also likely that government personnel will have gained considerable insights into the judgement of equivalence in performing their regulation-to-regulation reviews, and it would be beneficial to combine such knowledge into a guidance document specific to organic standards.

Time frame: by end of 2006

4.5.3 Considerations

The ITF should be kept informed of the current review during 2005 of the IFOAM Organic Guarantee System (comprising the IFOAM Norms and Accreditation Programme), which is subject to a comprehensive review. One of the main objectives of the review is to make the system more inclusive and more accessible. Various scenarios are being considered. The Accreditation Criteria could be made simpler and "easier" to comply with, and similarly the development of the IFOAM Basic Standards as real 'standards for standards' could be taken much further and much of the detail could be taken out. The approval mechanism – currently the IFOAM Accreditation Programme - could also be simplified in a number of ways. There are also suggestions that the IFOAM Norms should be put in the public domain, which would allow other bodies to accredit against them. Such actions could lead to a more accessible programme, with lower costs and higher participation. The two major questions for such an approach are to what extent a more accessible system will be "accepted" by major private sector certification bodies and to what extent the system will be seen as an interesting tool by

the regulatory authorities in major importing countries. The question comes down to whether accessibility, which provides for harmonization, can still deliver integrity?

4.6 F – Practical implementation and outreach

This element of the work strategy focuses on the practical implementation of harmonization and providing resources and guidance to the organic regulatory sector while the overall mechanisms are developed. The focus is to raise awareness of the need and benefits of harmonization and to encourage governments and CABs to develop new, or amend existing, systems in the direction of the overall goals proposed in this document.

4.6.1 Development of Common Regulatory Objectives

It is widely recognized that the approach of defining common regulatory objectives (CRO) may serve as an important stepping-stone towards a harmonized system. As a result of the actions proposed in Section 4.1 it should be possible to distil such common regulatory objectives, which could form the basis for developing individual and global regulatory systems in both the public and private sectors. The CRO should contain the essential elements needed to achieve the criteria proposed for the long-term strategy, may guide the rationalization process and perhaps address suggestions from the ITF discussions on how to simplify requirements (i.e. regulations, IFOAM Norms and ISO65 are all too complicated to form the basis of harmonization). Such an agreed CRO should form the basis of the whole work programme in support of influencing existing and emerging regulations and private systems.

Time frame: by end of 2006

Promotion of the ITF's work in the three main regulatory blocks

A number of developments are taking place in the three main importing blocs: the European Union, Japan and USA. As was suggested at the ITF Geneva meeting in October 2003, the revision of the EU Regulation import rules during 2005 is an important event, of which the work programme should take full account. The European Action Plan on Organic Food and Farming published by the European Commission in June 2004 (European Commission, 2004) contains some very encouraging comments concerning harmonization, consideration of standards equivalence and the setting up of an accreditation system. US and EU authorities have negotiated an equivalence agreement since the US published its NOP in 2001 but an agreement has yet to be reached. In Japan, new legislation on organic livestock and amendments to import rules was approved in June 2005.

The overall output of this group of actions is a greater awareness amongst the regulatory community of the benefits of harmonization and some practical ideas and tools to assist in achieving it. A number of options are explored in the following actions, which will be used to feed into regulatory developments over the next few years.

4.6.2 Promote reference to agreed international standard and requirements

The acceptance of IFOAM and/or Guide ISO65 Accreditation by designated accreditors is suggested in the EU Action Plan. A similar mechanism may also emerge in Japan. If such a mechanism is established, it is still likely that equivalence to the domestic regulation will be required rather than equivalence to any international standard requirements, which would be

preferable in terms of harmonization. Therefore, the aim of this action is to promote whichever international standard is chosen under section 4.1 of the Work Plan as the basis for international equivalence. This might be done through direct meetings with regulators or workshops with the wider organic sector at the national level. Success even with this approach, however, will not solve the obstacle to access via smaller certification bodies from countries where equivalence has not been agreed or where accreditation is too costly.

Time frame: by end of 2006

Two routes of collaboration between the certification bodies may assist this latter problem of access from emerging producer countries and where smaller CABs operate (even in the US, the largest organic market in the world, many of the CABs are small companies which may not be able to afford formal accreditation), and are formulated as actions 4.6.3 and 4.6.4 below.

4.6.3 A blueprint for CAB-CAB approval

The current organic regulation in Japan permits a Japanese CAB to make trust agreements with foreign CABs to make it possible to accept their work as part of the certification process (Under the JAS, the foreign CAB must still be recognized within its own country or be accredited against ISO65 or IFOAM Norms). Similar practices occur within the environment of the EU Regulation but they are not acknowledged in the legislation itself. The US NOP does not allow for such practices. Such a measure delegates authority to CABs to assess a foreign body as being competent to perform the work. The IFOAM Norms include such measures either on the level of overall acceptance of the foreign CAB or solely on the level of product. The action proposed here would raise discussion on these issues and develop an agreed blueprint for how CAB-CAB approval could operate and their possible incorporation into regulatory systems. An additional positive benefit of such collaboration is the increased contact between CABs with potential trust building and harmonizing spin-offs.

Time frame: by end of 2006

4.6.4 A blueprint for collaboration between CABs to facilitate imports

There are a number of emerging local certification bodies in developing countries. While the longer-term objective should be that they are accepted on their own account in import markets, there are also possibilities for them to act as “inspection agents” for other CABs. This serves as a good experience and introduction to the demanding international arena. It also serves as a business opportunity for CABs that have few other options for securing income, as local markets are often initially undeveloped. However, either the regulations themselves, their interpretations, or the demand from accreditors (national or international) may be placing such high demands on these arrangements that the local bodies need to be accredited in their own capacity in order to be accepted by foreign CABs. It may also sometimes be in the interest of a foreign CAB with an international scope to exaggerate these demands in order provide the motivation for the use of their own inspectors in such situations. This action would develop a blueprint for acceptable arrangements for inspection service, and encourage adoption within public and private sector approval requirements.

Time frame: by end of 2006

4.6.5 Advice and support to emerging regulations to encourage "trade-friendly" and harmonizing systems.

A number of governments are preparing or amending legislation on the labelling of organic products. The Canadian government is currently considering proposals for a new mandatory system to regulate the import and export of organic products. The Government of Australia is also in the process of revising its national standards. Both Chile and Peru are in the process of formulating regulations for the organic sector. There are many others. All of these initiatives emphasise the need for encouraging engagement by governments in the ITF process, but also require specific efforts by the ITF to engage with key personnel in the organic regulatory sectors in these countries. Meetings with some key government figures have already taken place with IFOAM and IOAS personnel within 2003 and 2004. These activities are aimed at ensuring that "mistakes" in existing regulations can be avoided in countries developing organic regulations. IFOAM, FAO and UNCTAD, as well as a number of governmental or private development agencies, are active in the support of government policy development for organic agriculture, including aspects of regulation. It is important that this support is aimed at guiding countries towards "trade friendly" organic regulations. As a first step IFOAM, FAO and UNCTAD, based on the findings of the ITF, should develop a common policy brief as guidance, and as a second step ensure that it is used by the various stakeholders. An extension of this option would be to develop and publish guidelines, aimed at established and developing CABs, on the structure and function of CABs in the organic sector so as to move towards a more harmonized organic certification mechanism. A designated ITF website to provide a focus for relevant information should also be considered.

Time frame: ongoing

Table 2: Three-year work programme towards a harmonized system for regulating trade in organic products

OBJECTIVE	ACTIVITY	OUTPUT	2005		2006		2007	
Half year			1	2	1	2	1	2
A. Rationalization of organic standards		**Single international organic reference standard**						
	4.1.1 Database system for assessment of multiple norms comparisons	System for handling and maintaining Norm comparisons						[20]
	4.1.2 Comparison of CAC Organic guidelines and IFOAM standards	Identified areas of convergence and divergence between norms						
	4.1.3 Comparison of EU, NOP and JAS	Identified areas of convergence and divergence between key regulations.						
	4.1.4 Trade at level of international standard	Proposals on access to markets through equivalency						
	4.1.5a International standard as principles or production standard	*Format of international standard defined*	[21]					
	4.1.5b International standard as baseline or with derogations	*Format of international standard defined*						
B. Rationalization of CAR		**Single international conformity assessment requirement**						
	4.2.1 Review of ISO65 to adapt to needs of organic	Single international CAR						
C. Rationalization of approval model		**Acceptance of approval model(s)**						
	4.3.1a Progress of accreditor collaborations	***Information to feed into the development of a rationalized CAB approval model***						
	4.3.1b IOAS-government collaborations							
	4.3.1c EU Commission amendments to import rules and its implementation							

[20] It is anticipated that an overall review of progress and a redefining of a new work plan would take place at the end of 2007.
[21] These are not specifically actions by the ITF but either considerations or information resulting from actions being undertaken by other bodies.

D. Fora for maintenance and development of harmonized model		**Identification of fora for hosting international Norms and CAB approval model**						
	4.4.1a Acceptability of existing institutions as caretakers of international norms	***Ideas on fora in which to house the system***						
	4.4.1b Invite IAF to contribute to ITF	***Ideas on fora for nomination of approval/accreditation bodies***						
	4.4.1c Government departments approval	***Ideas on how government approval systems relate to accreditation systems***						
E. Evidence to support and inform development of harmonized model		**Information in support of ITF work**						
	4.5.1 Consumer survey	Understanding of sensitivity of consumers to differences in norms						
	4.5.2 Equivalence judgement	Guidance document on judgment of equivalency of organic standards.						
	4.5.3a Information from IFOAM OGS review							
F. Practical implementation and outreach		**Tools available to guide sector towards harmonized system**						
	4.6.1 Development of CRO	Simplified principles						
	4.6.2 Promote reference to international standards	Acceptance of principle of trade at level of international guidelines						
	4.6.3 Blueprint for CAB-CAB approval	Simplified import mechanism						
	4.6.4 Blueprint for CAB collaboration on inspection	Acceptance of guideline on sub-contracting inspection. Harmonization of work practices.						
	4.6.5 Support of emerging regulations	Common policy brief leading to harmonization of effort						

5 Conclusions

This document represents the agreement of the ITF on:

- Ten criteria for assessment of a "harmonized" model for regulating the production of and international trade in organic products;

and based on these criteria,

- A broad initial target for the structure and operation of such a "harmonized" model; and
- An initial work plan towards the 'harmonized' model.

The target structure and operation of the model are based on current institutions and mechanisms that will respect national and private standard setting within the framework of an agreed and referenced international organic standard. It is foreseen that an international conformity assessment requirement will be agreed. These two international documents will form the basis of evaluation and surveillance of the conformity assessment bodies, in whichever country(ies) they operate. Such a system should: lead to the goal of one inspection providing access to all markets; benefit both producers and consumers; and contribute towards the continued growth of organic agriculture and the maintenance of its principles.

The following short-term actions on behalf of the ITF are proposed:

- Development of a database system for the preparation and maintenance of norms comparisons;
- Comparison of CAC Organic Guidelines and IFOAM standards with a view to their harmonization and/or development of one single international standard;
- Comparison of EU, JAS and USDA NOP regulations;
- Investigation and documentation of current legislation and private standards and relevant accreditation requirements, in order to determine how access could be permitted through equivalency to an international standard;
- Review Guide ISO65 with respect to the real needs of organic conformity assessment, with a view to finalizing one internationally accepted conformity assessment requirement;
- Consumer survey to investigate sensitivity to differences in standards and conformity assessment requirements;
- Guidance document on judgement of equivalency of organic standards;
- Development of a Common Regulatory Objective;
- Promotion of reference to agreed international standard and conformity assessment requirements;
- Development of a blueprint for CAB-CAB peer review;
- Development of a blueprint for collaboration between CABs to facilitate imports; and
- Advice on and support of emerging regulations in order to encourage "trade-friendly" and harmonizing systems.

Other considerations and information from external sources are also noted.

As has been indicated in this document, for such a relatively small sector, the organic movement, trade and regulators have already put in place many of the components that are required for effective regulation and this is cause for considerable optimism. Although it is the incompatibilities and the differences between the various regulatory systems that are most frequently emphasized, we should also celebrate and build upon the relative degree of harmony that has already been achieved to date.

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Annex 1

Terms of Reference for the International Task Force on Harmonization and Equivalence in Organic Agriculture

The International Task Force on Harmonization and Equivalence in Organic Agriculture, convened by FAO, IFOAM and UNCTAD, will serve as an open-ended platform for dialogue between public and private institutions (intergovernmental, governmental and civil society) involved in trade and regulatory activities in the organic agriculture sector. The objective is to facilitate international trade and access of developing countries to international markets.

More specifically, the Task Force will:

1. *Review the existing organic agriculture standards, regulations and conformity assessment systems including:*

- Their impact on international trade in organic agriculture products;
- Models and mechanisms of equivalency and mutual recognition; and
- Extent of international harmonization.

2. *Build on the recommendations of the IFOAM/FAO/UNCTAD Conference on International Harmonization and Equivalence in Organic Agriculture (2002), and on the reviews mentioned above, to formulate proposals for the consideration of governments, Codex Alimentarius Commission, relevant bodies of FAO, UNCTAD and IFOAM and other appropriate organisations on:*

- Opportunities for harmonization of standards, regulations and conformity assessment systems;
- Mechanisms for the establishment of equivalence of standards, regulations and conformity assessment systems;
- Mechanisms for achieving mutual recognition among and between public and private systems; and
- Measures to facilitate access to organic markets, in particular by developing countries and smallholders.

These proposals will take into account their impact on production systems, their relevance to consumers and the need for transparency.

3. *Advise stakeholders and provide information on developments following discussions of the above proposals.*

Annex 2

Definitions

Accreditation	Procedure by which an authoritative body gives a formal recognition that a body or person is competent to carry out specific tasks.
Certification	Procedure by which a third party gives written assurance that a clearly identified process has been methodically assessed, such that adequate confidence is provided that specified products conform to specific requirements.
Conformity assessment	Any activity concerned with determining directly or indirectly that relevant requirements are fulfilled.
Equivalence	The acceptance that different standards or technical regulations on the same subject fulfil common objectives
Harmonization	The process by which standards, technical regulations and conformity assessment on the same subject approved by different bodies establishes the interchangeability of products and processes. The process aims at the establishment of identical standards, technical regulations and technical regulations and conformity assessment requirements. (Ref. WTO modified)
Recognition	Arrangement (either unilateral, bilateral, or multilateral) for the use or acceptance of results of conformity assessments. (Ref: ISO modified)
Requirements for conformity assessment	Any procedure or criteria used directly or indirectly to determine that the assessment-relevant technical regulations or standards are fulfilled (Ref: WTO modified)
Standard	Document approved by a recognized body, that provides for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method (Ref : WTO/TBT) Note: the recognized body can be any relevant constituency
Technical regulation	Document which lays down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which compliance is mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method (Ref: TO/TBT). Note: technical regulations can refer to, or be based on, standards.

Annex 3

Report of the Third Meeting of the International Task Force on Harmonization and Equivalence in Organic Agriculture

17-19 November 2004

Rome, Italy

SUMMARY

The International Task Force on Harmonization and Equivalence in Organic Agriculture (IFT) held its third meeting in Rome, Italy, from 17 to 19 November 2004. The 43 experts who participated, in their own personal capacity, came from four UN bodies (FAO, UNCTAD, UNECE, UNEP), three intergovernmental organizations (WTO, EU and OECD), 15 governmental institutions (Australia, Belgium, Brazil, Canada, China, Costa Rica, Denmark, Germany, Greece, India, Indonesia, the Netherlands, the Philippines, Sweden and Thailand), two international NGOs (IFOAM and IOAS) and eight national NGOs involved in certification, accreditation or trade of organic agriculture.

After an orientation session providing new members of the ITF with the background and history of the group, four papers were presented and discussed. The first two were background documents on the economic impacts of organic guarantee systems on organic trade and on definitions for future use by the ITF. The main focus of the meeting revolved around two main discussion papers: an overall long-term strategy, including a harmonization model based on the establishment of a new international oversight body; one set of international standards and certification requirements; and a short-term action plan describing practical activities to be initiated by the ITF immediately so as to improve the situation.

The ITF did not endorse the idea of establishing a new international oversight body. Instead, the existing systems regulating trade of organic products should be improved towards facilitation of trade. In this context, the ITF decided on a number of activities. These include the development of:

1. A standards/conformity assessment requirements database. For this purpose, two studies will be commissioned on comparisons of organic standards: Codex Alimentarius and IFOAM; and those of the major import countries, EU, USA and Japan;

2. A consumer study to assess consumer perceptions of, and sensitivity to, differences between various organic standards and related labels;
3. Knowledge of conformity assessment systems and equivalency mechanisms. This will be documented through two studies on: equivalency models as a tool for recognition, and experiences in trade facilitation through cooperation between governments and private bodies (e.g. accreditors);
4. Guidelines for collaboration and approval between conformity assessment bodies; and
5. A study that will analyse current conformity assessment requirements and their relevance to ISO65 provisions to organic certification.

The Terms of Reference for the above-mentioned studies will be shared with the ITF members for comments. An interim meeting of the ITF will take place on 28 February 2005, in Nuremberg, Germany, in order to finalize the Terms of Reference and raise awareness of the BioFach community on the work of the ITF. A full ITF meeting will be held during the first week of December 2005.

Report of the Third Meeting of the International Task Force on Harmonization and Equivalency in Organic Agriculture

17-19 November 2004
FAO, Rome, Italy

INTRODUCTION

The International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF) was launched on 19 February 2003 in Nuremberg, Germany. This is a joint initiative of the Food and Agriculture Organization of the United Nations (FAO), the United Nations Conference on Trade and Development (UNCTAD) and the International Federation of Organic Agriculture Movements (IFOAM), generously supported by the Governments of Sweden and Switzerland. This allows the preparation of high quality assessments and studies and ensuring fair participation of experts (especially from developing countries) to its meetings.

The Task Force is an open-ended platform for dialogue between public and private institutions involved in trade and regulatory activities in the organic agriculture sector. The objective is to facilitate international trade of organic products. It is a practical response to the difficulties faced by organic producers and exporters due to the hundreds of different organic regulations, standards and labels worldwide, and a follow-up to the recommendations of the Conference on International Harmonization and Equivalence in Organic Agriculture held by the three organizations in February 2002.

At its first meeting, the Task Force formulated its Terms of Reference and work plan. The second meeting was held at UNCTAD, Geneva, Switzerland, on 20-21 October 2003 to review the existing standards, regulations and conformity assessment systems. The third meeting at FAO headquarters in Rome on 17-19 November 2004, moved the process towards formulating concrete proposals on mechanisms for achieving harmonization and equivalence in the organic sector and means of facilitating access to organic markets, particularly by developing countries and smallholders.

The third meeting of the ITF was attended by 43 experts from four UN bodies (FAO, UNCTAD, UNECE, UNEP), three intergovernmental organizations (EU, OECD and WTO), 15 governmental institutions (Australia, Belgium, Brazil, Canada, China, Costa Rica, Denmark, Germany, Greece, India, Indonesia, the Netherlands, the Philippines, Sweden and Thailand), two international NGOs (IFOAM and IOAS), and eight national NGOs involved in certification, accreditation or trade of organic agriculture (see Appendix).

An orientation session was held on the first morning of the meeting for new ITF members, who were welcomed by David Hallam, Chair of the FAO Inter-Departmental Working Group on Organic Agriculture.

The third meeting of the ITF, chaired by Nadia El-Hage Scialabba of FAO, commenced with the presentation of two background documents on trade of organic products and on key definitions, as well as updates from participants on recent developments in organic

harmonization and equivalency. The main focus of the meeting was to discuss and agree on a long-term vision and short-term actions towards harmonizing international regulation of organic agriculture, both items being supported by a discussion paper.

After the conclusion of the meeting, a briefing session of the ITF was given to FAO, including country permanent representatives and staff members. Finally, an excursion was offered to an organic farm and an organic agritourism enterprise close to Rome.

ORIENTATION SESSION

Introductory remarks

In his opening statement on 17 November 2004, Mr David Hallam, Chair of the FAO Inter-Departmental Working Group on Organic Agriculture, gave an overview of the problems tackled by the ITF, its past work and future plans. The ITF seeks to develop solutions for the problems encountered by producers and traders, especially in developing countries when trading their organic products. The main problems identified by the ITF were technical barriers to trade resulting from the plethora of private standards and national and international regulations for organic agriculture. In the first phase of its work the current systems for regulating the trade of organic products were reviewed by the ITF. In this current phase of activity, the ITF is seeking to develop solutions to foster the trade of organic products. The "strategy paper" and the "short-term actions" paper represent the first step in this direction. Mr Hallam congratulated all authors on the high quality of their work and thanked the Swedish International Development Cooperation Agency (Sida) for its generous and ongoing financial support of the ITF. The ITF also expressed its gratitude for the generous contributions from the Swiss Government.

Orientation and review

Two background documents were presented: "Overview of Current Status of Conformity Assessment Systems" and "History and Work Progress of the International Task Force". The aim was to provide new ITF members with the basic knowledge necessary to successfully participate in the meeting. With regards to the first presentation, ITF members noted that mutual recognition takes place at two levels: among accreditation bodies and between certification bodies. The procedures for the import of organic products into the European Union, Council Regulation (EEC) No. 2092/91 Article 11(6), the so-called "importer derogation" and article 11(1), the so-called "third country list" were further explained.[22] Import authorization by one country through article 11(6) results in a *de facto* authorization for any other country in the EU and is due to expire in December 2005. It was also noted that IFOAM accreditation, due to the fact that national accreditation bodies have objectives that are different from those pursued in the IFOAM Accreditation System, did not fit very well into the international accreditation framework, as organized in the International Accreditation Forum (IAF).

[22] See also UNCTAD-FAO-IFOAM (2005). Harmonization and Equivalence in Organic Agriculture, Volume 1, Background papers of the International Task Force on Harmonization and Equivalence in Organic Agriculture. Michaud, J., Wynen, E. and Bowen, D., Eds. Revision March 2005. Bonn, UNCTAD, FAO, IFOAM. UNCTAD/DITC/TED/2005/4.

FIRST SESSION: TRADE, DEFINITIONS, UPDATES

1. Impact of organic systems on production and trade of organic products

An earlier draft of the background paper on the "Impact of Organic Systems on Production and Trade of Organic Products" was presented in detail at the second ITF meeting in Geneva in October 2003. Therefore, at this meeting the presentation and subsequent discussion were limited to a summary of the final draft with a focus on the effects (gains and losses) resulting from harmonization of organic trade. The presenter pointed out that organic trade faces a large number of direct and indirect costs due to a lack of harmonization and thus much could be gained with harmonization. However, a scarcity of good data makes accurate estimates of the expected gains difficult.

It was pointed out that as a negative effect, harmonization might lead to a loss of consumer faith. This was attributed to the fact that consumers attach certain expectations to certain labels that might not be met in an internationally harmonized system. Furthermore, it was noted that some consumers have a negative opinion towards international trade *per se*.

The ITF concluded that the issue of consumer expectations and therefore the consumer study that has been on the agenda of the ITF since its second meeting will be a major focus of the ITF.

2. Key definitions in organic harmonization and trade

Part one of the background paper on "Harmonization and Trade – Key Definitions and Potential Role of the WTO" provides recommendations for definitions to be used by the ITF; part two focuses on the role of the WTO for harmonization and is based on the presentation by Crister Arvius at the second meeting of the ITF. It delivers the main points of relevance resulting from the Technical Barriers to Trade (TBT) agreement for the work of the ITF.

Following the presentation of the first part of the paper and based on a pre-selection of definitions, the ITF discussed how to define the terms "standard", "technical regulation", "conformity assessment", "harmonization", "equivalence", "mutual recognition" and the development of a definition for "requirements for conformity assessment". The latter definition was not addressed in the background paper.

Standard

The background paper proposed an amended version of the ISO definition. The ITF discussed whether to adopt the amended ISO definition or the existing WTO definition; it finally opted for the WTO/TBT definition. The main arguments for adopting this definition were that it also covers conformity assessment standards and is more concrete than the ISO definition. Furthermore, the requirement for consensus (as contained in the ISO definition) was not needed because the ITF deals with existing standards. A major part of the discussion focused on whether to define the term "relevant body" or to develop a list of recognized bodies or even to take out the term. The ITF decided not to define the term but to add a footnote: "the recognized body can be any relevant constituency" to the definition.

Technical regulation

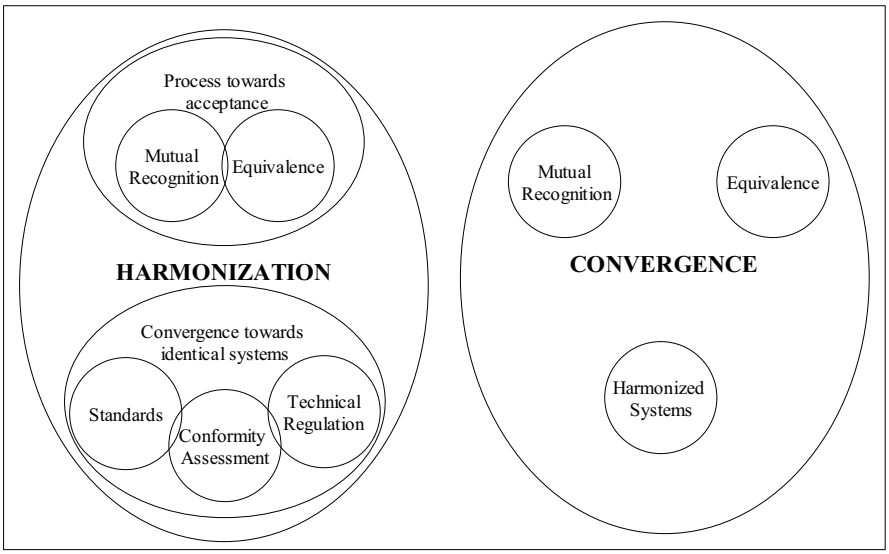
The background paper suggested adopting the WTO-TBT definition. One of the problems with this definition is that some mandatory regulations for organic agriculture are not considered technical regulations. The reason is that even if an organic product does not comply with a regulation it can still be sold as conventional produce. The ITF decided to retain the suggested definition and to add a footnote to it clarifying that a government mandatory[23] regulation regarding organic agriculture is a technical regulation.

Terms for the requirements of conformity assessment

Four terms were proposed – guidelines, procedures, criteria, standard – that could be used to describe conformity assessment requirements but all terms were discarded by the ITF. It was argued that ISO will, in the future, rename its guidelines and use the term 'standard' instead. The ITF acknowledged that in the context of organic agriculture, this usage is problematic as some current technical regulations for organic agriculture encompass production requirements (i.e. standards) as well as requirements for conformity assessment. The ITF decided to use the term "requirements for conformity assessment" and to adopt the following amended version of the WTO definition: "Any procedures and criteria, used directly or indirectly, to determine that the relevant standards and technical requirements are fulfilled".

Harmonization and equivalence

The ITF discussed two major versions of definitions on harmonization. In one version, harmonization was considered the overarching term encompassing both a process towards harmonization and convergence towards identical systems. In the second version, convergence was considered the overarching term encompassing harmonized systems, equivalence and mutual recognition.



The ITF discussed which version better reflects the understanding of the concepts of harmonization, equivalence and mutual recognition. It was noted that in some circumstances, and by some stakeholders, harmonization is used in the other more limited and precise

[23] i.e. a regulation that prohibits sales of organic products that do not comply with the regulation.

meaning, and that care must be taken to ensure that no misperception of the intent of the ITF is created. Due to time constraints, the ITF Steering Committee, along with some members of the ITF, was assigned to draft the definitions of the terms used in this model and to present them on the last day of the meeting.

During the follow-up presentation, the ITF-amended definitions of equivalence and recognition were adopted, but the term harmonization needs further discussion to reach consensus of all ITF members.

Standards	Document approved by a recognized body, that provides for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method (Ref : WTO/TBT) Note: the recognized body can be any relevant constituency
Technical regulation	Document which lays down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which compliance is mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method (Ref: WTO/TBT) Note: technical regulations can refer to, or be based on, standards.
Conformity assessment	Any activity concerned with determining directly or indirectly that relevant requirements are fulfilled (Ref: ISO)
Requirements for conformity assessment	Any procedure or criteria used directly or indirectly to determine that the relevant technical regulations or standards are fulfilled (Ref: WTO modified)
Harmonization	The process by which standards on the same subject approved by different bodies establish inter-changeability of products, processes and services, or mutual understanding of test results or information provided according to these standards. The process may include the application of identical standards or technical regulations, mutual recognition or determining equivalence (Ref. WTO modified)
Equivalence	The acceptance of different standards or technical regulations on the same subject that fulfil common objectives (Ref: ITF)
Recognition	Arrangement (either unilateral, bilateral, or multilateral) for the use of results of conformity assessments. (Ref: ISO modified)

3. Country updates on organic regulations and harmonization efforts

Participants from Japan, the European Commission and the US reported on recent developments in regard to organic regulations and harmonization efforts in their respective countries/region.

The Japanese organic regulation (JAS) will be revised in 2005. In this context, livestock regulations will be implemented and the imports regulations will be changed. The current equivalency negotiations will continue. Foreign organizations not covered by resulting equivalency agreements will be able to continue to register with MAFF. The procedures and criteria for this are still not established.

The European Action Plan for Organic Food and Farming has been finalized and is now subject to review by the EU Member States. The Action Plan represents a major step for the development of organic farming in Europe. In regard to harmonization, Chapter 5.7 and Actions 19 and 20 of the Action Plan are of relevance. Action 19 of the Action Plan proposes to replace the current importer derogation, article 11 (6), of the council regulation with a more permanent system.

The EU-USDA equivalency negotiations made substantial progress. Common ground was identified. The last meeting took place in May 2004. At the present time, negotiations have come to a halt over differences regarding veterinary medicines, and there are no initiatives to revive the negotiations.

The ITF member affiliated to the WTO secretariat mentioned that organic agriculture has come up in many contexts in the WTO, including discussions on subsidies, environmental goods, and in the Committee on Trade and the Environment. He pointed out that in the TBT context, the issue was one of non-tariff-barriers. The current focus of the TBT following the latest Triennial Review was on conformity assessment. Two workshops were planned: one on Supplier's Declaration of Conformity (SDoC) (21 March 2005) and another on the different approaches to conformity assessment (2006, date to be confirmed). The representative encouraged developing countries to table papers, also in the WTO context, regarding actual or potential barriers to trade in the organic sector.

SECOND SESSION: LONG-TERM STRATEGY

The "Draft Strategy on Solutions for Harmonizing International Regulations of Organic Agriculture" was presented, including current problems and potential benefits from improved systems, a proposal for nine criteria for the assessment of potential model solutions, a review of existing models and a work programme with major building blocks.[24] Many members expressed their appreciation of the vision and rigour of the paper but its orientation was substantially revised.

[24] These building blocks can be summarized as follows: 1) agreement on the ultimate objective and route map; 2) gathering of information that supports and guides the process; 3) establishment of an oversight body and; 4) development of an international certification standard and an international accreditation model

Criteria

Discussions focused on criteria regarding "fairness" and "sovereignty and market choice" and discussed the inclusion of new criteria to address sustainable development and contribution to the environment.

It was pointed out that fairness is a subjective term and should not be based on specific social beliefs but should rather refer to a level playing field approach. It was mentioned that this term has often been (mis)used to promote and advocate national organic regulations with the aim of protecting domestic producers. The ITF acknowledged that the current wording of the criterion supports neither certain social beliefs nor protective measures and therefore retained the current wording.

The ITF acknowledged that the criterion on national sovereignty and market choice refers to a fact of life and discussed whether this has to be accepted. The ITF concluded that sovereignty is of primary importance to governments, and that any adopted model has to address this issue. Following this, the ITF decided to change the wording of the criterion to "take account of sovereignty and market choice". The ITF decided to postpone the decision to add a new criterion for the issues of "sustainability and environment" to the following day because it felt that a decision could not be made without better knowledge of the models discussed in the paper.

Models

Of the nine models reviewed, the Codex Alimentarius, ISTA, UNECE and IFOAM models scored highest against the proposed criteria. However, this scoring approach did not necessarily imply that other models be rejected as reference for further consideration. Major points of discussion by the ITF were the rationale behind the scoring results; the author explained that higher-scoring models had several elements in common[25] and that the ISTA model in particular provided direct opportunities for implementation and governance while others, like the Codex Alimentarius, provided primarily or exclusively guidance.

It was mentioned that the proposed strategy focused on conformity assessment tools (certification and accreditation), whereas it should be relevant also to countries where national accreditation system does not exist in order to facilitate the establishment of a sound system. It was noted that the existing procedures for accreditation and certification cause problems (e.g. costs), which need to be addressed in the ITF model.

The model proposed to the ITF was derived from the ISTA model. This raised questions with regards to the potential similarities between the ISTA and organic agriculture actors. It was recommended that more information be sought on the experiences of the ISTA model (e.g. costs of implementation), with a view to costing the possible establishment of an ITF model. In the light of the experiences of the IFOAM system, some members questioned the appropriateness of the timeline proposed in the work plan.

It was pointed out that the EU would not be willing to support the development of a new institution. This would only add another layer to the many existing systems. Also, the

[25] They provide for an international arbiter/oversight body, stakeholder participation, involvement of international organizations and governments, one international set of operating requirements and international accreditation.

development of another set of international standards could cause additional confusion. Standards do not in themselves present a problem but difficulties lie in their recognition and in the acceptance of certification results. For this reason, the solution should be found in equivalency. In this context, the Codex Alimentarius guidelines could provide a helpful tool in the future. Instead of establishing a new institution, the role of existing institutions could be redefined.

It was further stressed that a new international structure was not needed, especially as the costs and the failures of the current system were not adequately documented. National regulations should be seen as reflecting the needs and perceptions of domestic stakeholders. In this context, one option could be to agree on a basic international standard that explicitly allows additional requirements. Also, perceptions of domestic stakeholders could be changed by educating them (e.g. through a dialogue platform) on the reasons behind differences in the organic guarantee system.

The majority of ITF members supported the view that the existing system of standards, requirements for conformity assessment, certification, accreditation, responsible bodies, and mechanisms for international trade should be retained but improved. It was stressed that special consideration should be given to the requirements of developing countries.

Standards

Most members pointed out that they prefer to make use of the existing international standards, namely the Codex Guidelines or the IFOAM Basic Standards. A few participants displayed a clear preference for the Codex Guidelines as the international reference. Others pointed out that they prefer the development of one international standard based on the IFOAM Basic Standards and the Codex Guidelines.

While this could be a long-term goal, intermediate steps could be taken first. The first step in this direction would be a gap analysis of both documents in order to adapt them (e.g. by minimizing detail) to facilitate international trade. A number of participants noted that a lot of problems could be solved quickly if governments used or referred to international standards for the trade of organic goods. It was noted that the ITF should examine how this could be achieved.

Requirements for conformity assessment

Some members proposed to use the ISO65 standard as a basis for accreditation/evaluation of certification bodies. Others stated that the ISO65 requirements were partly inappropriate for accreditation in the context of organic agriculture. Therefore, all current organic “regulations” encompass additional requirements suitable for conformity assessment in the context of organic agriculture. It was proposed to carry out an assessment of the amendments needed to adapt ISO65 to the organic situation and to develop a set of certification requirements. The IFOAM Accreditation Criteria should be included in such an assessment. Some members proposed to use the other conformity assessment procedures (Supplier Conformity Declaration) as recommended by the Second and Third TBT Triennial Review.

Mutual recognition, equivalence, approval and accreditation

Several members recommended referring to, or seeking cooperation with, the International Accreditation Forum (IAF) system. In this context, opportunities for action by, and cooperation between, the IAF and the IOAS could be explored. It was recommended that the IAF be invited to join the ITF. Some members proposed to seek EU acceptance of IFOAM accreditation and that other accreditations should be recognized by IFOAM. ITF members also proposed to consider other alternatives for overseeing conformity assessment such as peer review among certification bodies. A number of participants noted that mutual recognition of equivalence and not accreditation is the key to harmonization. One member recommended enhancing the flexibility of mutual recognition by, for example, using supplier declarations.

It was emphasized that multilateral recognition is preferable to bilateral recognition and that one evaluation should result in multiple approvals at the national level. Another member stressed the need to simplify equivalency. It was also pointed out that the Codex Alimentarius is not the right body to play a role in recognition of conformity assessment. Some members also recognized the need to improve and foster cooperation and mutual recognition between certification bodies and harmonize the interpretation of standards by certification bodies.

Oversight body

There was a consensus in the ITF that a new oversight body should not be established. If at all, as a few members pointed out, this could only be a long-term goal. In this case, one proposal was to move the organic guidelines/standards development from the Codex Alimentarius to the new oversight body. In this case, the oversight body should obtain the same status as Codex Alimentarius, including recognition by the WTO. One member questioned whether the establishment of an oversight body would accelerate the process of harmonization.

Related issues

It was noted that the interests of governments, certifiers and consumers in developing countries should be taken into account in the ITF strategy. This could be achieved by including developing country consumers in the consumer study and by enabling developing countries to make informed decisions.

Some members noted that it is crucial to involve and gain the commitment of both the private and the government sectors, so as to achieve accepted cross- sector solutions. It was acknowledged that the ITF is a good platform for accomplishing this objective as it provides decision-makers with the necessary information.

It was mentioned that organic regulations could be much less significant than current agricultural regulations and policies (e.g. subsidies, tariffs, other technical regulations) with regards to the extent of problems caused. One member mentioned that organic agriculture should be more supported from the environmental point of view. It was also mentioned that the initial ITF work is going to influence the review of IFOAM's Organic Guarantee System.

The ITF recognized that it can only recommend has and had no decision-making power on the question of minimizing the details of international standards. Furthermore, reducing the detail

could also hinder trade. Therefore, it was proposed, as a first step, to examine whether the existing international standards hinder trade.

Amended criteria

Considering that the ITF decided not to pursue the establishment of a system based on the proposed model in the long-term strategy paper, it discussed whether it was necessary to retain the proposed assessment criteria. It furthermore continued to discuss the inclusion of an additional criterion addressing the issues of sustainability and environmental benefits.

Summary of feedback on strategy	
Principles for a strategy	• Use existing mechanisms (public and private) and improve as necessary; • Focus on common procedures at international level; and • Prefer one reference with flexible implementation.
Standards/technical regulations	• Do not create a third international standard; • Use the existing international standards; Codex Alimentarius and IFOAM; • Examine gaps of Codex Alimentarius and IFOAM, and adapt the standards to facilitate trade; • Minimize the details of international standards; and • Examine how national and regional standards and international standards can be related and equivalency established.
Requirements for certification bodies	• Regardless of standards, certification bodies will have different interpretations; foster cooperation among the certification bodies themselves; • Review ISO65 with respect to the real needs of organic conformity assessment; and • Develop one set of certification requirements.
Approval of certification bodies	• Focus on one set of equivalence criteria, not one international accreditation; • One evaluation and set of international requirements, leading to many approvals; • Approval to remain at national level; • Evaluation at international level; • Analyse what role IAF and IOAS can play; and • Other mechanisms to be considered, e.g. peer review among certification bodies.
Summary of feedback on criteria	
Criteria for the assessment of solutions	Solutions that facilitate the continued growth of organic agriculture and maintenance of its principles, through: • Market access (national and international) and minimal bureaucracy; • Fair competition; • Consumer protection and trust; • Context sensitive (biophysical and socio-economic); • Stakeholder support; • Take account of sovereignty and market choice; • Transparency; • WTO principles; and • Benefit to producers and consumers.

The ITF decided to retain the criteria and to change the title of the criteria to "Criteria for the Assessment of Solutions" and to incorporate "Solutions that facilitate the continued growth of organic agriculture and maintenance of its principles" through an overarching criterion. These decisions were taken because the ITF felt that the criteria could be useful in the assessment of solutions proposed in the future and also because organic practices foster sustainability and benefit the environment.

A proposal to reduce the number of criteria to those dealing only with trade facilitation (market access, fair competition and sovereignty) was not endorsed by the ITF. It was argued that these objectives could be achieved at the cost of the other objectives, such as better market access through lower standards with decreased environmental effects.

THIRD SESSION: SHORT-TERM ACTIONS

The draft paper on "Short-term Actions Towards Harmonizing International Regulation of Organic Agriculture" was presented in light of comments made above. Not all proposals made in the draft paper were discussed.

Action B1: Norms rationalization and equivalence (includes Action B1i to B1iv of the paper)

Action B1i: Develop database system for cross-referencing of multiple norm comparisons
Action B1ii: Complete comparison of Codex and IFOAM standards
Action B1iii: Complete comparison of IFOAM Requirements and Guide ISO65
Action B1iv: Complete comparison between IFOAM, Codex Guidelines, EU Regulation, USDA NOP and JAS requirements

The ITF acknowledged that a database for norm comparisons needs an institutional administrator. IOAS had considered setting up a similar database and had carried out a comparison of the EU regulation with the US National Organic Program (NOP) and the Canadian regulations as well as of the ISO65 standard with the IFOAM Accreditation Criteria. The maintenance of an up-to-date database is resource-intensive due to constant changes in the regulations. The EU has addressed this issue in action 2 of its Action Plan. The database is planned to be Internet-based in order to be kept up to date by certification bodies themselves. The FAOLEX database gives e-access to organic agriculture regulations.

Maintaining such a norms comparison database under the oversight of one organization is feasible. The first objective of a database would be to analyse the differences in regulations and the underlying political objectives with the ultimate goal to find ways to bridge the identified gaps. The ITF agreed that the database has to fulfil the following criteria:

- It is available publicly so that it can be used as a reference by countries/standard setters when developing their regulations;
- It is organized according to subject matter;
- It allows for multi standards comparison;
- It is multilingual; and
- It is not meant to assess the quality of a standard.

Comparison is the first step only in direction of equivalency. Multi-dimensional comparisons increase the complexity of a database significantly. Comparisons entail the problem of interpretation and authority. Costs have to be considered. Some participants doubted the practical feasibility of a database, while not objecting to the initiative.

The ITF discussed whether a database should start with the IFOAM-Codex comparison, for certifiers to fill in their data in a second step. It was pointed out however that there might be more interest in comparison relevant for the main markets (EU, USA, Japan). In any case, comparisons were being made regardless of the development of a database.

As a next step it was proposed to develop a project proposal/concept note/terms of reference and to find a suitable donor and host for the database. The database should be based on existing building blocks. The IOAS and the EU within the current research project (action 2 of the EU Action Plan) as coordinated by the Danish Institute for Organic Farming were mentioned as possible hosts/donors of the database. Furthermore, it was agreed that IFOAM will post the IAC/ISO 65 comparison on the ITF website.

Action B1v: Development of common regulatory objective

The ITF made it clear that the term "common regulatory objective" refers to the aims that are to be achieved with a regulation. One example is the preamble of the EU regulation. The ITF agreed that the regulatory objectives are important for assessing equivalency because a comparison can be used to determine where regulations pursue common or different objectives in scope or content. Another important body for assessing the objectives of a regulation are the principles of organic agriculture. As the next step, the ITF proposed to develop a study/document summarizing the objectives underlying the existing regulations and to examine the UNECE guidance/scope for further background.

Action B2: Promote and support harmonizing efforts in government regulations

Action B2i: Promote reference to agreed international standard and requirements

The suggestion that governments should explicitly declare that they will refer to an international standard for the acceptance (based on equivalence) of imports was generally welcomed, although some government representatives expressed reservations, referring to the interests of domestic stakeholders.

Action B2ii: A blueprint for CAB-CAB approval
Action B2iii: A blueprint for collaboration between CABs to facilitate imports

In this context, the ITF discussed the consequences for a blueprint for cooperation among Conformity Assessment Bodies (CABs). Also, the possibility of CABs directly recognizing each other is seen as an interesting option needing further exploration. It was acknowledged that the IFOAM accreditation framework provides a valuable reference for this issue. The challenge is fostering cooperation of certifiers operating under different regulatory constraints.

Action B2iv: Advice and support to emerging regulations to encourage 'trade-friendly' and harmonising systems.

The ITF did not discuss this issue in detail.

Action B3: Private labels and trade at the level of an international standard.

With regards to the problem of private labels as addressed in the paper and the EU Action Plan, the ITF acknowledged that the existence of strong private labels is a fact of life that cannot easily be changed. Differences in labels are a manifestation of the real problem —the differences in organic standards — a unified standard defining the minimum and maximum requirements would reduce the problem. It was also noted that there is a need for standards differentiation so as to make appropriate regional variations and striving for best practices possible.

One way to address this problem is to accept differences in standards and, at the same time, overcome the negative effects resulting from this situation. One example is the IFOAM system with its international mark and its mutual recognition agreement. Another proposal was to create a strong international and consumer-oriented mark. It was also pointed out that private standard setting is one of the few areas where farmers are still involved in the system. The ITF decided not to hold a seminar as proposed in the paper, but to address the point of private marks in the consumer study. One issue to be considered is to what extent consumers understand the differences in organic quality that represent the foundation for the different marks.

Action B4: Collaboration between accreditors and authorities

The ITF decided to document existing cooperation between accreditors and authorities. This documentation is to cover success stories and to analyse failures.

Action B5: Review of the IFOAM Organic Guarantee System

The current review of the Organic Guarantee System (OGS) also evaluates possibilities for the recognition of government systems. ITF members are invited to comment on the OGS review.

Action B6: Equivalence assessment

The ITF discussed whether it is possible to share existing analyses of equivalency assessment mechanisms. It was clarified that the European Commission shares its information with EU Member States and is in the process of building up experience. The experience shows that decisions on equivalency cannot follow strict rules but requires the involved parties to be flexible when deciding. It was proposed that the Codex Alimentarius could be the right organ to develop guidelines for the judgement of equivalence. In response to this, it was noted that the previous work of the Codex Alimentarius on the judgement of equivalency of technical requirements of food inspection and certification systems was suspended because some member states of the Codex Alimentarius were of the opinion that this is a WTO issue. The WTO TBT Committee would be addressing the issue of equivalence in the context of its follow-up work to the Third Triennial Review.

FOURTH SESSION: CONCLUSIONS AND FOLLOW-UP

The Chair of the ITF summarized the outcome of the discussions and proposed follow-up actions as follows:

Topic	*Action*
Recommendations for the ITF Strategy	• Revise the long-term vision and medium-term actions for harmonization and equivalence in organic agriculture (a merge of the draft two documents as discussed by the ITF in November 2004).
Background documents (by ITF Secretariat)	• Finalize the Definitions paper and publish a glossary of terms;. • Prepare a concept note, including costs and operations, for the development of database for comparison of organic standards.
ITF Studies (subject to funding availability)	• Commission a consumer survey (developed and developing countries); • Document the relevance of conformity assessment systems - public and private - to equivalency (including success stories, analysis of failures, gains from harmonization, cooperation); and • Prepare guidelines for CABs (inspection and CAB-CAB approval).
Homework for ITF members	• Provide comments to IFOAM review of their Organic Guarantee System (OGS); • IFOAM, EU and US members to share respective comparisons and assessments of equivalency efforts.
Fourth ITF meeting	• BioFach, February 2005, Nuremberg, Germany.
Next steps	Lobby respective constituencies on relevance of ITF work (with a view to seek policy support and donors' interest).

Following this summary the ITF took the following decisions and prioritised the actions to be taken next.

First priority: As a first step towards a database, the ITF decided to compare and analyse the key differences between the IFOAM standards and the Codex Alimentarius Guidelines and then to carry out a comparison of the major sets of regulations in the EU, Japan and the USA. The comparative analyses should follow a subject matter approach. The outcomes of these analyses will be the foundation for the consumer study. The coordinator of the EU research project dealing with an organic database will be contacted for potential cooperation.

Second priority: Based on the outcomes of the above two analyses the consumer study will be developed. The terms of reference of the consumer study, and related expenses, will be prepared and presented to the ITF for feedback and approval. The ITF Steering Committee will undertake consultations with consumer research experts. ITF members are asked to provide input regarding issues to be addressed in the consumer paper.

Third priority: The ITF discussed to tackle the issue of relevance of conformity assessment systems to equivalence by preparing two studies, one will focus on the effects of equivalency mechanisms; and the other on the experiences gained with other forms of trade facilitation e.g. cooperation between accreditors and governments.

Fourth priority: Blueprints for CAB collaboration and CAB-CAB approval. In this context it was noted that already an ISO-CASCO paper dealing with cooperation on the certification level exists.

The ITF recognized that the key issue for moving towards harmonization in organic agriculture is a world-wide consensus on requirements for conformity assessment (e.g. ISO65 or IFOAM Accreditation Criteria). Therefore, the ITF added another study to its work plan, analysing the current conformity assessment requirements. This study will take into account which of the ISO 65 requirements are proposed to be deleted from the IFOAM IAC in its current revision, and other experiences.

It was agreed that the final ITF strategy and definitions papers will be presented to the next ITF Meeting, as well as terms of reference for new studies.

Additionally, it was agreed that the use of other conformity assessment procedures besides certification can be a future area of exploration.

Furthermore the ITF decided to make as suggestion to the Codex Alimentarius to review the Organic Guidelines and to undertake a project on “equivalency” with specific reference to the organic labelling (recognizing that Codex has done some preliminary work in equivalency, which was stopped).

The fourth ITF meeting will be a one-day-event to take place in conjunction with BioFach in Nuremberg, Germany, on 28 February 2005. The meeting agenda will be limited to reviewing progress and discussing terms of reference of new studies.

The fifth meeting of the ITF is tentatively planned to take place in the first week of December 2005, venue to be decided.

Agenda

THIRD MEETING OF THE INTERNATIONAL TASK FORCE ON
HARMONIZATION AND EQUIVALENCY IN ORGANIC AGRICULTURE

FAO, Rome, Italy
17-19 November 2004

Agenda

17 November 2004

09:00-11:00 Orientation and review (for new members)
- Welcome (David Hallam, FAO)
- Overview of current status of conformity assessment systems (Gunnar Rundgren, IFOAM)
- History and work progress of the International Task Force (Diane Bowen, Secretary, Secretary, ITF)
- Questions and answers

11.00-13.00 Opening and introduction of the third ITF meeting
- Welcome (Nadia El-Hage Scialabba, Chair, ITF)
- Presentation of the paper "Impact of Organic Systems on Production and Trade of Organic Products" (Sophia Twarog, UNCTAD)
- Presentation of the paper "Harmonization and Trade - Key Definitions and Potential Role of WTO" (Diane Bowen, Secretary, ITF)
- Updates on organic regulations and harmonization efforts (EU, USA and Japan)

13.00-14.30 Lunch

14.30-17.30 Presentation and discussion of the draft paper on the "Strategy on Solutions for Harmonizing International Regulation of Organic Agriculture" (David Crucefix, IOAS)

18 November 2004

09.00-13.00 Consensus and conclusions on long-term vision

13.00-14.30 Lunch

14.30-17.30 Presentation and discussion of the draft paper "Short-Term Actions Towards Harmonizing International Regulation of Organic Agriculture" (David Crucefix, IOAS)

20.00 Dinner (hosted by the organizers)

19 November 2004

9.00-11.00 Conclusions and follow-up
- Wrap-up of long-term and short-term papers
- Discussions on outline of possible next studies
- Follow-up and next meetings

11:00 End of meeting

19 November 2004

11.00-12:00 GENERAL BRIEFING SESSION TO FAO

- Welcome: Hartwig de Haen, Assistant Director-General, Economic and Social Department, FAO
- Presentation of progress achieved to date: Nadia El-Hage Scialabba, Secretary of the Inter-Departmental Working Group on Organic Agriculture, FAO
- Questions and answers

20 November 2004

09:00-17:00 EXCURSION TO ORGANIC FARMS

- Moricelli organic farm, Montopoli, Rieti
- Nunzio di Pillo organic agritourism, Ponzano Romano

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INTERNATIONAL TASK FORCE ON
HARMONIZATION AND EQUIVALENCY IN ORGANIC AGRICULTURE

FAO, Rome, Italy
17-19 November 2004

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Annex 4

Report of the Fourth Meeting of the International Task Force on Harmonization and Equivalence in Organic Agriculture

28 February 2005

Nuremberg, Germany

SUMMARY

The International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF) held its fourth meeting in Nuremberg, Germany, on 28 of February 2005. Thirty three experts participated in their own personal capacity. They came from three UN bodies (FAO, UNCTAD, UNEP), 16 governmental institutions (Argentina, Brazil, Canada, China, Costa Rica, Germany, the Philippines, Switzerland, Sweden, USA and Tunisia), three international NGOs (IFOAM, IOAS and ISEAL) and five national private organizations involved in certification and accreditation.

This meeting was an interim meeting held in conjunction with the Biofach Fair and served to bridge the time between the last full meeting of the ITF in November in Rome and the next full meeting of the ITF in December 2005. The meeting was not aimed at deciding on new work items but rather to obtain feedback on the work done since the third meeting in Rome in November 2004. Firstly, the ITF discussed and provided feedback for changes to a compiled and amended version of the paper on a long-term strategy and the paper on short-term actions towards harmonization as discussed at the last ITF meeting. Secondly, the ITF provided feedback on the preliminary results of a study comparing certification requirements of the main organic regulations and private sector system, and an analysis of the applicability of ISO 65 for organic certification. Thirdly, the ITF advanced its work on developing a Glossary of Terms. It also decided to:

- Develop a feasibility study for a comparative database for organic norms;
- Further investigate the research design and methodology for a consumer study on sensitivity to differences in standards and certification requirements;
- Analyse CABs' experiences of cooperating with each other and formulate a blueprint for further cooperation;
- Analyse experiences with equivalency, recognition and other trade enhancing mechanisms; and
- Analyse the common regulatory objectives (CROs) underlying current organic regulations and recommendation for formulating CROs.

INTRODUCTION

The ITF was launched on 19 February 2003 in Nuremberg, Germany as a joint initiative of the Food and Agriculture Organization of the United Nations (FAO), the United Nations Conference on Trade and Development (UNCTAD) and the International Federation of Organic Agriculture Movements (IFOAM), and is supported by the Governments of Sweden and Switzerland.

The Task Force is an open-ended platform for dialogue between public and private institutions involved in trade and regulatory activities in the organic agriculture sector. The objective is to facilitate international trade of organic products. It is a practical response to the difficulties faced by organic producers and exporters due to the hundreds of different organic regulations, standards and labels; it also follows up on the recommendations of the Conference on International Harmonization and Equivalence in Organic Agriculture held by FAO, UNCTAD and IFOAM in February 2002.

At its first meeting, the Task Force formulated its terms of reference and work plan. The second meeting was held at UNCTAD, Geneva, Switzerland, 20-21 October 2003 to review existing standards, regulations and conformity assessment systems. The third meeting in FAO, Rome, 17-19 November 2004, moved the process towards formulating concrete proposals on mechanisms for achieving harmonization and equivalence in the organic sector and means of facilitating access to organic markets, particularly by developing countries and smallholders.

The main objective of the fourth meeting was to evaluate if the work done in the meantime was in line with the decisions of the third meeting, and to realign or focus the work of the ITF if deemed necessary.

Report of the Fourth Meeting of the ITF

28 February 2005

Nuremberg, Germany

FIRST SESSION: INTRODUCTION AND PRESENTATION OF DRAFT PAPERS

Introductory remarks

In his introductory remarks Mr. Gunnar Rundgren, chair of the meeting, pointed out that at the last meeting the ITF had decided to pursue a considerable number of actions.[26] Therefore, the main objective and nature of the fourth meeting were different from those of regular ITF meetings. The aim was not to decide on new actions but to evaluate if the work that had been carried out in the meantime was in line with the decisions of the third meeting and to realign or focus the work of the ITF if necessary.

Strategy for Solutions for Harmonizing International Regulation of Organic Agriculture

After its presentation the attendees discussed the new draft of the paper on the "Strategy for Solutions for Harmonizing International Regulation of Organic Agriculture" as summarized below.

In response to a suggestion on Chapter 2.2 "Criteria for the assessment of solutions", to add a criterion on "environmental protection" it was explained that such a separate criterion does not need to be included because it is an inherent component of the first criterion, namely to "Provide for continued growth of organic agriculture and maintenance of its principles".

Other participants were concerned about the order in which the criteria were mentioned in the document and wondered if the order was based on the importance attached to them. The author clarified that the list is not in any hierarchy of importance. Some participants felt that the issue of sovereignty (criterion 7) was of such a high importance that it should be moved up in the list or even be used as an overarching criterion (chapeau). It was argued that national sovereignty is a reality of life, and that every decision in regard to trade facilitation, for example on equivalency, is a decision of a sovereign nation, which should be acknowledged in the paper. In response to this it was suggested to clarify this in the lead-in section to the criteria. Others pointed out that agreeing on a "chapeau"-criterion would be difficult as the opinion about the relative weight of this criterion differs depending on the individual point of view, especially when overarching international agreements are taken into consideration Additionally, it could further be seen as an argument in favour of market protection, which would contradict the trade facilitation objectives of the ITF.

Another issue under discussion was the inclusion of "food safety" under the criterion of sovereignty. It was acknowledged that although food safety is an issue related to consumer

[26] Report of the Third Meeting of the International Task Force on Harmonization and Equivalence in Organic Agriculture, 17-19 November 2004, Rome, Italy. See Annex 3 in this volume.

protection (criterion 4), organic requirements (standards or technical regulations) do not deal with food safety. In this context the ITF also discussed that it had not yet defined its scope and whether its scope is limited to the food sector only, or also covers organic non-food products such as textiles and cosmetics. The participants acknowledged that this decision would affect the recommendation to agree upon one international reference standard, as for example the Codex Alimentarius Guidelines only apply to food and cannot currently not be used as reference for non-food products. One participant pointed out that using principles rather than standards would made it easier to establish a broader scope.

Another proposal was to merge criteria eight (transparency) and nine (principle trade policy provisions) because transparency is a trade policy provision. Furthermore, a participant stressed that the terms of reference of the ITF are clearly targeted to the needs of developing countries and this needs to be reflected in the criteria.

The ITF concluded the discussion on this section of the paper deciding that the ITF Steering Committee (ITF-SC) and author will review the comments and make appropriate adjustments. Concerning the subsequent sections of the paper the ITF agreed that:

- In the first paragraph of chapter 3 the word “must” be replaced with “should”;
- “new certification bodies” be addressed in the first paragraph of chapter 3.2;
- Chapter 3.3 and the third bullet point of the first paragraph of chapter 3.4 need to take into account the situation of countries without an accreditation system and therefore no approval based on ISO 17011 (ISO 61);
- The paper needs to spell out more clearly that the focus of the ITF is on international trade (cross border trade);
- Chapter 3.4.4 should refer to the first criterion both the growth of organic agriculture and maintenance of its principles; and
- Chapter 3.4.5 should mention the low participation by the organic sector in ISO.

The chair of the meeting informed the participants that the ITF’s current work plan is derived from the actions and activities suggested in Chapter four of the paper. The chair clarified that those actions that had not been translated into ToRs are also on the ITF-SC’s work plan. The chair asked for items that should come off the plan and suggestions for items that were missing. The ITF agreed to maintain the current work plan but that a TBT study should be scheduled for a later time. Furthermore, it was proposed to launch an exchange with developing countries regarding their experiences with exporting organic products to the three main importing markets (EU, US, Japan) and to use the feedback to reflect on whether some of the recommendations of the paper could be implemented.

Invitation to prepare country reports on regulatory systems

Finally, the ITF decided to invite those of its members representing governments to prepare, with respect to the aims of the ITF, a brief description (no more than 4 pages) regarding their system for the regulation of organic products, e.g. policies and procedures for import acceptance.

Requirements for certification bodies – situation and scope for harmonization

The decision to commission this paper was taken at the meeting in Rome. The study was commissioned with the objectives of analysing the main differences and similarities between

the different requirements for conformity assessment, and assessing the suitability of ISO 65 for organic certification. Because the paper was not finalized by the meeting, the aim was to obtain feedback on the preliminary findings, conclusions and recommendations. The author presented the structure of the study and the findings so far. Although results from certification bodies were incorporated into the preliminary assessment, at this stage the presentation did not reflect the findings from interviews with government regulators, which had not yet been undertaken.

Discussion

In general the participants expressed their appreciation of the quality of the presentation. It was pointed out that the USDA's NOP (National Organic Program) regulation does not refer to ISO 65 but that this is not based on opposition to ISO 65 itself. The requirements in sections E and F of the NOP expand to areas not covered/not detailed enough in ISO 65 and NOP does not address areas covered by ISO 65 but considered to be not relevant for organic certification. Most certification bodies that are accredited under the NOP are also ISO 65 accredited. It was pointed out that the Chinese accreditation criteria are a mixture of ISO 65 and the IFOAM Accreditation Criteria. One participant questioned if ISO 65 or the existing governmental regulations are the right tools for detecting fraud, which ultimately should be the main aim of organic regulations. In response to a proposal to focus harmonization on standards first and then later on the certification level, the ITF-SC explained that the ITF had previously decided to follow the two tracks simultaneously. It was suggested that developments in other labelling schemes should be taken into account, for example that UTZKAPEH is planning to drop ISO 65 and replace it with a process-based certification guideline. After a suggestion to include the situation of developing countries, it was clarified that the author was not asked to analyse regulations of developing countries but rather the experiences of certification bodies in developing countries with the requirements of the regulations of the importing countries. The inspection bodies covered in the study are located in Latin America, Africa, Asia and Europe. One commenter noted that the study addressed the differences between the regulations but not where the key pressures are in the system and the conflicts that should be tackled by harmonization efforts, e.g. that a government does not accept certification carried out by a foreign certification body abroad. Another remark stressed the difficulty of application procedures, e.g. the fact that at the moment every single operator has to apply for certification. It was also stressed that a major difficulty for farmers stems from the documentation requirements. The ITF discussed what role private solutions, e.g. software systems providing checklists (for different regulations), could play in achieving the aims of the ITF. One advantage could be that they might exist already or will be provided, simply because there is a demand for them. The major arguments against private systems were that affected parties in developing countries might not have access to them, e.g. because they might be too expensive and that they are only necessary because of a lack of harmonization.

Invitation from Tunisia to host ITF meeting

The participant from Tunisia confirmed her country's interest in and support of the ITF. She reported on the history, current policies (subsidies, national training and research programmes) and regulations concerning organic agriculture and the certification bodies operating in Tunisia. A comparison of the Tunisian regulation, similar to the one discussed above, with the EU, NOP and Swiss regulations has been carried out. Furthermore, Tunisia had applied for inclusion in the EU third country list but had not been informed about a

decision yet. The Tunisian Ministry of Agriculture offered to host the next meeting of the ITF. The meeting was planned to take place in the first week of December 2005.

Glossary of ITF terms

The presenter noted that the glossary of terms was based on the discussions and decisions taken at the last ITF meeting. In the discussion following the presentation the ITF mainly discussed the definition of the term 'harmonization'. It was noted that the U.S. government, OECD and others had a different understanding of what the term harmonization means, than the one of the proposal. For the USA harmonization means identical regulations whereas equivalence describes the acceptance that two regulations use different measures to accomplish the same objective. However, it was also argued that the process of harmonization, as reflected in Figure 4 "harmonization tools" of the solutions paper, encompasses stages described as "equivalence" and "mutual recognition". The ITF also decided that the definitions should only refer to situations that are relevant in the context of the work of the ITF. Therefore, terms like "services" and "test result" are to be removed from the definitions.

The discussion suggested that the definitions could be resolved as follows:

Harmonization: The process by which standards, technical regulations and conformity assessment on the same subject approved by different bodies establishes inter-changeability of products and processes. The process aims at the establishment of identical standards, technical regulations, and conformity assessment requirements.
Equivalence: The acceptance that different standards or technical regulation on the same object fulfil common objectives.

Following another comment the new draft of the glossary of terms will be sent to the ITF for comments.

SECOND SESSION: NEW WORK ITEMS

Concept note for international comparative database of organic norms

The chair informed the audience that at this meeting the aim was to discuss and decide on the objectives underlying the project rather then on the technical issues related to setting up a database.

Objectives of database

It was noted that two routes could be followed: The first route would lead to providing the service of "standards comparison" to interested parties for their own uses. The other route would be directed towards achieving harmonization. An alternative proposal made by one participant was to assess what tools already exist in the private sector and rather than developing a database, to provide stakeholders, especially those in developing countries, with the information about these private initiatives/solutions.

The ITF noted that the first numbered point in the concept note is a by-product rather than a main objective and that it should be deleted. Regarding the second point it was commented that this could be a means of easily identifying relevant requirements. However, it was also pointed out that most likely governments would and could not solely rely on the correctness of the database but would have to carry out an evaluation of the correctness of the information themselves. Database ownership was mentioned as a factor that will determine stakeholders' buy-in. The ITF also decided to divide the last application (point 4) into two separate points. The database could also serve harmonization, because interested parties can use it to develop their standards based on those already in the database. This would allow equivalency determination and ultimately the development of harmonized standards based on common regulatory objectives. It was suggested to have both long-term and short-term objectives for the database.

Commitment to database

When asked, the majority of attendees expressed their support for the continuation of the project. One participant pointed out that the database is a medium-term project requiring the appropriate devotion and commitment of the ITF.

The ITF discussed the question of who should maintain the database. Various opinions were expressed, ranging from maintenance in the private sector by a single source (at least for the major international and importing norms) to decentralized maintenance by a variety of governments and private bodies. It was suggested to find out if private initiatives outside the organic sector have developed similar databases that are accepted by governments and to also find out what the costs and benefits are. It was however acknowledged that the willingness to take over this responsibility would depend on the resources available.

The resources and financial commitment necessary for a database were also discussed. The resources needed increase with the number of regulations covered by the database. One reason for not getting involved in such work could be that governments might have invested considerable resources in similar projects already, as is the case with the USDA.

Format and scope of the database

Another discussion focused on the format of the database. It was pointed out that a common international format would add value to what currently exists and that ITF should provide this. The database could incorporate the work done by other parties. The ITF agreed that the main format should be subject-based and not referenced to any specific document. It was pointed out that a subject-based format already exists in work done by IFOAM and IOAS.

It was suggested that the database should accommodate interpretations, e.g. interpretations of the EC regulation by the member states. It should also cover those regulations that influence neighbouring states, as is the case for example for China.

The following points under qualities of the database were added:

1. The frame and hosting must be stable and robust;
2. The database must be credible – maintained by a credible host in a credible way; and
3. The major interested parties will maintain the database.

Decision

The ITF decided to commission a feasibility study based on the feedback summarized above. The feasibility study is to include an analysis of the value of a database for developing countries.

Terms of reference for a study of consumer sensitivity to differences in standards and compliance verification systems

The chair pointed out that the main issue of discussion was to evaluate if the objectives outlined in the Terms of Reference are consistent with the basis on which the ITF started the idea to research consumer sensitivity, and to seek input regarding needed changes.

Once again the importance of also including developing countries was brought forward in the meeting. Some attendees argued that consumers do not at all know the standards, and therefore a survey should not be aimed at standards. Instead it should be at more general consumer values and reasons for buying organic products.

Mr. Ulrich Hamm, the research expert specifically invited to the meeting, made some remarks. He noted that we already know a lot about consumer expectations. Most studies show that the holistic approach underlying organic agriculture is not known by consumers but that consumers chose one component that appeals to them. He confirmed that most European consumers do not know anything about organic standards. They want to trust in a label. The most important topics for European organic consumers regarding imports are food miles and energy use.

Another participant pointed out that regulations are not, as usually argued, based on consumer expectations and resulting from the perceived need for consumer protection. Instead, regulations are based on assumptions on what are thought to be the expectations. In response to this it was proposed that a study could aim at confirming that consumers are not aware of the details underlying the differences in standards. In line with this argument it was also proposed that the ITF should declare that if a country's case is based on consumer protection, it needs to provide proof for its arguments, and that the consumer should not just be an excuse not to cooperate. As a counter argument to this statement it was noted that not every standard is developed for consumer-protection objectives.

Other participants argued that instead of commissioning a new study the primary data as available in existing studies should be compiled in some kind of meta-analysis. Another focus of the study could be an analysis of reasons for standards development other than consumer protection, e.g. protection of special interest groups like farmers.

Another participant reasoned that an approach that could meet the ITF objectives would be to ask consumers the following question: if their government says a product from another region meets its own regulatory objectives, then would they accept that the standards in the other region could be somewhat different from their government’s standard?

The group came to no conclusion on the focus of the consumer study.

Regarding the technicalities and costs involved, the participants acknowledged that if the ITF decides to pursue the idea of sensitivity study it needs to focus on a limited number of target

countries that are known to be most relevant to the objective. Furthermore, it should be limited to regular consumers of organic products. Another suggestion was to restrict the study to a very limited number of questions regarding key topics, e.g. if the loss of domestic value-added due to increased trade would influence consumers' decisions. The attending ITF members acknowledged that even if the scope of the study would be limited the financial means needed (10.000-15.000 € for four focus groups with regular consumers/per country in a low cost version or 20.000-25.000 € if different and specific points of the standards are discussed) would make it necessary to put all other planned studies to a halt.

The ITF agreed that the next step should be restricted to proposing a methodology and expected outcomes of a consumer sensitivity study. The ITF acknowledged that the study should address the issue of sensitivity to differences in standards and conformity assessment. The ITF also decided to commission the actual study not in this funding term (end of 2005) but in the subsequent one.

Remaining terms of reference

As a next point the ITF discussed how to proceed with the following proposed studies:

- IBS-Codex Alimentarius Guidelines comparison;
- Comparison of the EU, US and Japanese regulations;
- Analysis of experiences with cooperation of CABs;
- Analysis of experiences with equivalency, recognition and other trade enhancing mechanisms; and
- Analysis of the common objectives underlying current organic regulations (CRO's)

Based on the need to prioritize its work the ITF decided to proceed with the preparation of the last three of the above studies. The three Terms of Reference will be circulated to the ITF with a two-week period for comments. The possibilities for workshops in connection with developing the study on equivalency and recognition will be taken into consideration.

Additional remarks and action items

Due to time constraints the ITF did not discuss the agenda item on the OGS Review. However, the ITF will be provided with the relevant documents and invited to comment on the OGS review.

Furthermore, the ITF had decided to seek cooperation with the International Accreditation Forum (IAF) and will therefore invite the IAF to participate in the ITF.

The Chair pointed out that the funds for the ITF are secured up to the end of 2005 and that members are encouraged to forward suggestions for future funding. Finally all participants were thanked for their active participation in the meeting.

FOURTH MEETING OF THE INTERNATIONAL TASK FORCE ON HARMONIZATION AND EQUIVALENCY IN ORGANIC AGRICULTURE

CCN West, Exhibition Centre,
Nuremberg, Germany
28 February 2005

Agenda

Time	Topic	Filename	Comments
9.00	Revised paper "Strategy for Solutions for Harmonising International Regulation of Organic Agriculture"	• ITFSolutionspaper0502.pdf	presented by David Crucefix
10.00	New Paper, " Organic Certification Requirements and ISO Guide 65"		presented by Mildred Steidle
11.30	Glossary of ITF Terms, presented by Diane Bowen	• ITF Glossary_0502 .pdf	
12.00	Updates		e.g. IFOAM OGS Review
12:30	Lunch		
13.30	Comparison of organic standards and technical regulations a.) database project b.) IFOAM IBS-Codex Guidelines comparison c.) EU/NOP/JAS comparison	• Conceptnote_ITFdatabase_0502.pdf • ToR_IBSCodex_0502. pdf • ToR_EU-US-Japan comp_0502.pdf • StandardsComparisonIFOAM/EU/Codex.pdf • EUIFOAMstandardscomp.pdf • Comp_Processing substnaces copy 2.pdf	•Discuss possibilities for collaboration with EU and IOAS projects to meet ITF needs. •Discuss existing comparisons and decide on next steps for key comparison studies.
14.30	Terms of Reference: Consumer Expectations Study	• ToR_Consumer Sensitivity_0502 .pdf	Decide on detailed objectives of this study.
15.30	Other Terms of Reference a.) Blueprint for CAB-CAB cooperation b.) Equivalence and other trade mechanisms c.) Study of objectives of major organic standards and regulations.	• ToR_CABCooperation_0502 .pdf • ToR_Equivalency-recognition_0502.pdf • ToR_Regobjectives_0502.pdf	Discuss Brief ToRs for future work.
16.15	Other Actionable Items/Priorities/Next Steps/Next Meeting		
17.00	Adjourn		

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