



# Harmonization and Equivalence in Organic Agriculture

## Volume 5

Background Papers of the  
International Task Force on  
Harmonization and Equivalence  
in Organic Agriculture





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## **Volume 5**

### **Background Papers of the International Task Force on Harmonization and Equivalence in Organic Agriculture**

An initiative of the

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## PREFACE

### **Background of the ITF**

The organic market is confronted with hundreds of private sector standards and governmental regulations, two international standards for organic agriculture (Codex Alimentarius and IFOAM) and many certification and accreditation systems. Mutual recognition and equivalency among the systems is extremely limited. The multitude of standards, certification requirements and regulations are considered to be a major obstacle to the continuous development of the organic sector, especially for producers in developing countries. IFOAM, FAO and UNCTAD joined forces to search for solutions to this problem and formed the International Task Force on Harmonization (ITF) in 2003. The Task Force consists of representatives of governments, intergovernmental agencies, and stakeholders from the private sector. The ITF is an open-ended platform for dialogue among private and public institutions involved in trade and regulatory activities in the organic agriculture sector. The objective is to facilitate international organic trade and access of developing countries to international organic markets.

### **Results of the ITF**

From 2003 to 2008 the International Task Force worked together to complete a series of studies proposals and tools aimed at its objective of helping to reduce organic trade barriers. Two practical tools have been developed to streamline acceptance of products that are traded internationally. One tool is for recognizing organic certification bodies and the other is for determining the equivalency of production and processing standards. The ITF has put a great deal of effort into these tools because it believes that they can effectively address and reduce organic trade barriers.

The first tool, International Requirements for Organic Certification Bodies (IROCB), is an international reference norm that can be used by governments and private accreditation and certification bodies as a means of accepting certification of organic products outside of their own system. The second tool, the EquiTool is a set of guidelines, which include both procedures and criteria that can be applied for deciding when a standard applicable in one region of the world is equivalent to a standard applicable in another region.

### **ITF publication series and this volume**

The publication series “Harmonization and Equivalence in Organic Agriculture” chronicles the work and progress of the ITF over the course of its meetings. Studies, meeting reports and communiqués, and drafts of ITF tools under development are compiled into volumes corresponding to the annual meetings of the ITF.

This volume contains the papers presented in the seventh ITF meeting, which was held from 26-29 November, 2007 in Bali, Indonesia. It includes the fourth draft of IROCB , the first

draft of a Tool for Assessing Equivalence of Certification Standards (EquiTool), three analytical papers, and the meeting report. The tools have since been revised and finalized. In particular, the EquiTool has been extensively revised since the seventh meeting. Final versions of both tools are published in Volume 6 of this series and are also available as separate publications.

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## ABBREVIATIONS

- CAC:** Codex Alimentarius Commission of FAO and WHO
- CAC Guidelines on Equivalence:** Codex Alimentarius Commission Guidelines for the Development of Equivalence Agreements regarding Food Import and Export Inspection and Certification Systems
- CAC/GL 20:** Principles for Food Import and Export Inspection and Certification
- CAC/GL 26:** Guidelines for the Design, Operation, Assessment and Accreditation of Food Import and Export Inspection and Certification Systems
- CASCO:** ISO Committee on Conformity Assessment
- CB:** Certification body
- CBTF:** UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development
- CODEX:** Codex Alimentarius Guidelines for the Production, Processing, Marketing and Labeling of Organically Produced Foods
- EEC 2992/91:** Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs
- EU Regulation:** Term often used to refer to the Council Regulation (EEC) No 2092/91
- FAO:** Food and Agriculture Organization of the United Nations
- GMO:** Genetically Modified Organisms
- 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 ISO17011:** ISO/IEC Guide 17011: 2004 “General requirements for bodies providing assessment and accreditation of conformity assessment bodies”. An update of ISO61.
- IAC:** IFOAM Accreditation Criteria
- IAF:** International Accreditation Forum
- ICS:** Internal Control System
- IBS:** IFOAM Basic Standards
- 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
- ISO:** International Standard Organisation
- ISO 65:** ISO/IEC Guide 65: 1996(E), General requirement for bodies operating product certification systems. In the European standardisation it is called EN 45011.
- ITF:** FAO/IFOAM/UNCTAD International Task Force on Harmonization and Equivalence in Organic Agriculture
- JAS:** Japan Agricultural Standard
- MLA:** Multilateral Recognition Agreement

**NOP:** National Organic Program (USA)

**TBT:** Agreement on Technical Barriers to Trade

**UNCTAD:** United Nations Conference on Trade and Development

**USDA:** United States Department of Agriculture

**WTO:** World Trade Organization

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# Executive Summary

This volume presents the discussion papers, draft tools and the Report from the Seventh Meeting of the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF), held in Bali, Indonesia, in December 2007.

## Discussion Papers

At this meeting, the participants considered three discussion papers:

- Potential Negative Effects of Equivalence Agreements
- Cooperation in Conformity Assessment for Certification Decisions and Import Approvals
- Overview of Group Certification

The paper, *Potential Negative Effects of Equivalence Agreements*, was prepared in response to a decision of the Sixth Meeting of the ITF in 2006. It assessed potential negative effects of bilateral equivalence agreements. It concludes that among countries that have concluded bilateral equivalence agreements, there seems to be general agreement that internationally agreed harmonization is the preferred option. Bilateral agreements normally lead to short term advantages in the form of increased trade, but compared to harmonization approaches, often lack transparency, are time-consuming and costly to negotiate and may lead to uneven (trade) relationships in cases where the trade partners employ standards that reflect rather different ecological and social environments.

*Cooperation in Conformity Assessment for Certification Decisions and Import Approvals* builds on a previous paper on the same topic, which noted the possibility for certification bodies (CBs) to play a stronger role in the government regulatory systems' approval of imports. Such a role would allow recognition agreements between CBs to be actionable both for regulatory as well as private label schemes.

In addition to other mechanisms identified by the ITF, the paper in this volume focuses on, and further discusses, two mechanisms for cooperation:

- the right of certification bodies to delegate certification decisions;
- giving certification bodies right to approve imports under import regulation regimes.

Considering ITF's mission to facilitate international market access of organic products, and its recognition that active cooperation between government and private sector is important, the paper concludes the following:

“The first mechanism would require a change in international norms ruling organic certification. In the ITF perspective this would primarily be the IROCB, but preferably also the IFOAM Accreditation Criteria and the ISO 65. Under some regulations, the regulation might have to be amended to allow for this practice; under others it would not. Guidance for it exists in ISO Guide 68.”

The exact regulatory implications for the adoption of the second mechanism depends on the regulatory framework of each country. In some cases it might be sufficient that a guidance note by the competent authority is issued stating that this is an accepted practice, in other cases some additional implementing ordinances might be required, and in a few cases perhaps even the enabling act (law) would have to be modified.

The two mechanisms can contribute to the goals of the ITF and fulfil the criteria set by the ITF to assess solutions proposed. They are complementary to other mechanisms, such as equivalency agreements between countries and direct approval of certification bodies. They are particularly relevant for small trading volumes where the investment in other mechanisms is too high compared to the value of the traded goods. A clear acceptance of the mechanisms will stimulate intensified cooperation between certification bodies, something that is much needed. The impact of this will extend beyond regulated markets into the area of private marks where it gives certification bodies increased incentives to cooperate. It also has the potential to substantially reduce costs for operators that are currently faced with multiple certifications (exporters) or costly re-certification procedures (importers). The disadvantages are considered to be small and manageable.

The third paper provides an *Overview of Group Certification* in the world, with a special emphasis on the particular situation of the US Department of Agriculture National Organic Program (NOP) and the process for reconciling it.

The paper begins with a brief overview of the history, objectives, and prevalence of group certification. It continues to describe the acceptance of group certification by governments and outlines the existing major guidelines and governing norms.

It is concluded that the approach to group certification has been viewed as an exemption or special allowance to organic certification requirements. But, according to the author, a group of producers may constitute a single certified entity that is analogous to a large, complex farming or handling operation. Parallels can be drawn between the individual farms in a group and the multiple fields or extensive land under production on a single operator farm.

Using this perspective the concerns of group certification can be narrowed down to a lack of consistent procedures for certification bodies and for group quality systems regarding determination of the extent, if any, of non-compliances in the group and appropriate actions to correct or sanction non-compliances of the group or members within a group.

### **Draft Tools**

In addition to the discussion papers, drafts of the two main tools developed by the ITF were also presented and discussed:

- International Requirements for Organic Certification Bodies – 4th Draft
- Tool for Equivalence of Organic Standards and Technical Regulations – 1st Draft

The *International Requirements for Organic Certification Bodies* (IROCB) is a reference for determining the equivalence of requirements for organic certification bodies, which can serve both governments and private sector actors to recognize certification bodies, and therefore streamline trade flow.

The *Tool for Equivalence of Organic Standards and Technical Regulations* (EquiTool) is an international guideline for determining equivalence of organic standards. The purpose of the tool is to enable the parties to judge the identified differences in the standards. EquiTool includes criteria for assessing variations in standards according to a set framework.

### **Seventh Meeting Report**

The meeting report summarizes the discussion and decisions taken on the three discussion papers and the two draft tools. It also describes other topics taken up in this meeting, including reports from ITF members on their country and/or international programmes and considerations on the stewardship of the International Requirements for Organic Certification Bodies. A summary list of decisions and achievements of the meeting is provided in the report.



# **Guide for Assessing Equivalence in Organic Standards and Technical Regulations**

*Diane Bowen*

ITF Secretary, IFOAM

## **Executive Summary**

This paper presents a practical tool for implementing an assessment of equivalence of organic standards and technical regulations. The main body of the tool is a table of steps whose contents lead to achieving certain process qualities: clarification of objectives and scope for the standard; full legal context for the standards; comprehensive standards comparison; structure for the dialogue about equivalence; and transparency. Earlier sections of the paper review the history of the topic of equivalence in the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF), and provide a framework for the tool from relevant provisions of the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT) and Codex Alimentarius Guidelines. Annexes contain a sample policy and procedure from the private sector for approving another standard as equivalent and a sample template for managing the assessment of equivalence.

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## 1. Introduction

With equivalence in its name, the ITF has focused on this pathway to reduce trade barriers caused by the many organic standards and technical regulations worldwide. ITF has defined and analysed the term (see ITF Glossary in Annex), pinpointed the concept in international trade policy, researched models for application, and reviewed the current use of equivalence in the organic sector. ITF has further committed to developing specific tools for equivalence of both organic standards and technical regulations and conformity assessment systems. On the conformity assessment side, a specific norm, International Requirements for Organic Certification Bodies (IROCB) is being developed to serve as a reference for determining equivalence of accreditation and approval systems for organic certification bodies. Regarding standards and technical regulations for organic production and processing, the ITF decided to develop a tool kit for determining equivalence, which will function as practical guidance. According to the Terms of Reference, the tools should be consistent with the frameworks for equivalence in the WTO TBT and Codex Alimentarius, and they should draw from practical approaches to deciding equivalence within and beyond the organic sector. This paper reviews the background leading to tool development and addresses the international framework. It then proposes the tool mechanism, including decision criteria. Analysis of how the Tool meets the ITF criteria for its own proposals is presented in Annex 1.

## 2. Background

Previous studies for the ITF have built up a body of information about equivalence relevant to the ITF's objectives.

- *Current Mechanisms that Enable International Trade of Organic Products* (second ITF meeting, October 2003) identified and described the existing equivalence determinations and agreements in both the government and private domains of the organic sector.
- *Existing and Potential Models and Mechanisms for Harmonization, Equivalency and Mutual Recognition* (second ITF meeting) presented relevant international frameworks for equivalence in the WTO TBT Guidelines, Codex Alimentarius and the Organic Guarantee System (OGS) of the International Federation of Organic Agriculture Movements (IFOAM). The study drew parallels between WTO guidance and the prevailing wisdom of the organic sector by observing that, "The exceptions for harmonization of standard-setting and conformity assessment are interesting for organic agriculture in that there may be a need for different regulatory approaches based on climatic or geographic conditions."
- This study also identified potential models for harmonization and equivalence from other sectors, but the equivalence models were focused on equivalence of conformity assessment systems rather than of standards and technical regulations for products or production methods.
- *Strategy on Solutions for Harmonizing International Regulation of Organic Agriculture* (fourth meeting, November 2004) suggested measures to determine the similarities and differences among key international, national and private organic standards and techni-

cal regulations and to then determine a means for access to the various standards and technical regulations through equivalence to an international standard. This paper also proposed ten criteria for the ITF to examine when considering proposals, recommendations and tools for solutions These are reproduced in Annex 1.

- *Experiences of Equivalence and Recognition Mechanisms in the Regulation of Organic Agriculture* (fifth meeting, December 2005) described to the extent possible, background details of both successful and failed attempts to establish equivalence among organic standards and technical regulations. Included in the description were efforts of the US Department of Agriculture (USDA) and the European Commission toward a mutual recognition agreement, which ultimately failed, and the effort of IFOAM to approve the private American Organic Standard, which also failed. The paper also described the process by which the European Commission determined the equivalence of the technical regulations of third countries, and the option under the EU Regulation 2092/91 for member states to authorise imports on a case-by-case basis based on a determination that the product was produced and processed to equivalent requirements and that the conformity assessment was also equivalent to the measures required by the EU Regulation.
- *Objective of Organic Standard Programmes* (fifth meeting) reviewed and analysed the potential for establishing equivalence based on common objectives. The paper explained that objectives can be established at various levels, ranging from principles and aspirations to programmatic objectives to specific production and environmental objectives aimed at producers and consumers. This paper also reviewed and analysed the UNECE scheme for Common Regulatory Objectives (CRO), which is a multilateral approach with a formal process and structure. The outputs of the process for each (CRO) are a defined scope of products, a set of multilaterally agreed general objectives, and a compendium of existing national and international standards that are agreed upon as related to the objective. The paper concluded that this approach would not provide solutions for existing organic standards and technical regulations, although it might be useful where several governments are developing new regulations. The CRO approach is also quite different from the project at hand, which is to develop a tool to be used by individual actors, private or government, in the flow of the current system, and not to create new multilateral projects.
- *Common Objectives of Organic Standards Systems* (sixth meeting, October 2006) was a continuation of the “Objectives” paper from the fifth meeting. This paper proposed specific topical objectives in organic production, processing and labelling that could provide a basis for an objectives-based equivalence scheme. The proposed objectives fall somewhere between the level of principles/aspirations and the level of specific production and environmental objectives in individual standards. They are common themes identified from a set of key standards and technical regulations that were assigned by the ITF for consideration in this exercise.
- *Terms of Reference for Tool for Equivalence of Standards and Technical Regulations* (sixth meeting) was requested and reviewed by the ITF. The ITF had earlier sought to agree on a single international standard, but finally concluded that the two existing international standards (Codex Alimentarius Organic Guidelines and IFOAM Basic Standards) both had relevance, the former for governments and the latter for the private

sector, albeit with some crossover in both directions. It was agreed by ITF to support efforts toward further harmonization of these standards. Rather than proposing a single model for equivalence of standards and technical regulations, it was agreed to develop practical tools for equivalence that could function across private and government sectors. The Terms of Reference was discussed with the ITF and revised after the sixth meeting in response to comments. This paper is the first step toward fulfilling these Terms of Reference.

### **3 Framework for the Tool**

The ITF specified that the Tool for Equivalence should be developed within the framework of the WTO-TBT and Codex Alimentarius, specifically CAC/GL 34, *Guidelines for the Development of Equivalence Agreements Regarding Food Import and Export Inspection and Certification Systems*.

#### **3.1 WTO**

The Agreement on Technical Barriers to Trade (TBT) states in Article 2.4 that “Where technical regulations are required and relevant international standards exist or their completion is imminent, Members shall use them, or the relevant parts of them, as a basis for their technical regulations except when such international standards or relevant parts would be an ineffective or inappropriate means for the fulfilment of the legitimate objectives pursued, for instance because of fundamental climatic or geographical factors or fundamental technological problems.” While establishing use of international standards as the first tier in a hierarchy of approaches to trade facilitation, the WTO also recognized that it may not always be appropriate for a country to adopt an international standard, or even base their technical regulations on an international standard. Therefore, the WTO included another provision, Article 2.7, which states that “Members shall give positive consideration to accepting as equivalent technical regulations of other Members, even if these regulations differ from their own, provided they are satisfied that these regulations adequately fulfil the objectives of their own regulations.” The WTO TBT texts stop at this point, giving no further specific guidance on how to establish equivalence. However, the framework is clear, that determination of equivalence should be based on objectives. A practical challenge arises, however, because many regulations and standards – organic or otherwise – have not included specifically stated objectives, even though, as pointed out in the two ITF papers on objectives of organic standards, objectives (and even “common” objectives, can be deciphered from them. Recent revisions of key regulations and standards are addressing the gap. Council Regulation 834/2007 (the new EU organic regulation) in Article 3 presents specific objectives and is followed by Articles 4 to 7, which explain principles that serve as further interpretation of the objectives. IFOAM’s draft “Benchmark for Organic Standards”<sup>1</sup> feature principles and objectives in each chapter

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<sup>1</sup>The Benchmark for Standards is proposed to replace the IFOAM Basic Standards v.2005, and is now intended to be requirements for setting organic standards, not standards in themselves).

and state that in order to comply with the Benchmark, other organic standards must fulfill all the specified objectives.

### 3.2 Codex Alimentarius

Although CAC/GL 34 is aimed at equivalence of conformity assessment, many of its provisions are suitable guidance for judging and making agreements on the equivalence of standards. Although the language refers only to conformity assessment and to agreements between countries, inference can be made to standards and the private sector. The following provisions constitute a useful framework for the ITF equivalence tool.

From the Foreword, the following applicable statements are noted:

- Import requirements should be based in the principles of equivalence and transparency as set out in the Principles for Food Import and Export Inspection and Certification.

Section	Provision
5.7	The importing country considers and determines whether the country's measures meet the importing country's requirements. Any decision must, however, be made on the basis of objective criteria.
5.10	A country entering into discussion towards an equivalence agreement should be prepared to facilitate assessment and verification activity both before and after conclusion of the agreement.
7.16	As a first step in the consultative process, the importing country should make readily available the text of its relevant control measures and identify the objectives of these measures.
7.17	The exporting country should provide information that demonstrates that its own safety control system achieves the importing country's objectives and/or level of protection as appropriate.
18.	The development of equivalence agreements is facilitated by the use of Codex standards, recommendations and guidelines by both parties.
19.	To facilitate the consultative process, information should be exchanged as appropriate, on (a) legislative framework, including the texts of all relevant legislation, which provides the legal basis for the uniform and consistent application of the food control system that is the subject of the agreement.
20.	Countries may wish to compare side-by-side tables to organize the above-mentioned information and identify differences in measures/requirements.
21.	The importing and exporting countries should identify a process for jointly considering differences in measures/requirements.
22.	Participants in the agreements should be able to a) satisfy themselves and verify that equivalence continues to exist after conclusion of an equivalence agreement, and b) resolve any problems identified during audit and verification.
28.	Participants in the agreement should agree to procedures for terminating the agreement, in case either party is not satisfied that the terms of the agreement are being met.

### Analysis of the provisions with respect to the ITF Tool:

- Some of the provisions above refer to the process of making an agreement, and therefore go beyond the process of judging equivalence of two sets of standards. The main purpose of the ITF tool is to facilitate an equivalence decision, but it is deemed appropriate for the tool to provide some guidelines for cases in which a formal agreement is made.
- Elements of these provisions such as provision of relevant texts, side-by-side comparisons, processes for jointly considering differences in measures/requirements, and verifying equivalence after the conclusion of an equivalence agreement have been employed in both government and private processes for equivalence of standards.

#### Examples:

(i) The EU/US negotiation, although it did not result in an equivalence determination, employed side-by-side comparisons of the production and processing requirements in the two regulations;

(ii) The government of Japan includes in its equivalence determination for the United States National Organic Program (NOP), a requirement for the US Department of Agriculture (USDA) to notify the Japanese Ministry of Ministry of Agriculture, Forestry and Fisheries (MAFF) of any changes in the US program;

(iii) The IFOAM procedure for approving other standards includes a procedure to notify the applicant of the results of the assessment, and for the applicant to provide feedback. Therefore, a tool in this CAC 34 framework also reflects existing practices in the organic sector.

- For requirements on standards, the scope of products and processes in the equivalence assessment is additionally important and should be addressed in the ITF tool.
- There is no explanation or guidance here for what types of variations of the exporting country's standard from the importing country's standard can be considered and allowed. In the private system, the IFOAM process includes "criteria for variations", which can be a useful element of a tool for equivalence.
- The requirement in 18) above is not known to have played a strong role in the organic sector equivalence determination with respect to CCA/GL 32, *Guidelines for the Production, Processing Labeling and Marketing of Organically Produced Food*. For example, it appears not to have played a prominent role in the EU/US negotiations, nor in the EU determinations of third countries under article 11.1 of EEC 2092/91. However, the new EU Regulation 832/2007 calls for equivalence assessments to take into account CAC/GL 32. Whether and how the Codex guidelines will be used in equivalence assessments remains to be seen. Although internationally agreed in the Codex process, CAC/GL 32 contains details that are not addressed by some countries in their own standards. For example, the US NOP does not contain many of the detailed provisions of CAC GL 32 in regard to animal husbandry such as housing conditions, requirements to source manures from organic holdings and prohibition of any manure from factory farming. It can be questioned whether CAC GL 32 remains appropriate and if its next revision should improve its capacity to function effectively in its role as a practical international guideline. Best practices that include prescriptive details, may not be such a useful starting point for countries that are developing their regulations or negotiating equivalence.

## 4 Other Resources and Considerations

The ITF also requested that the tool make reference to:

- relevant decision criteria from other sectors;
- the experiences from government to government equivalence experiences in the organic sector;
- the IFOAM system to approval organic standards.

Decision criteria from other sectors were not used for this tool. Although equivalence agreements and related criteria were identified from other sectors such as in accounting practices, veterinary products and electro-technical equipment, they are based on risk assessment and/or specific technical parameters, and were deemed not relevant to this project.

Experience from government-to-government equivalence in the organic sector<sup>2</sup> was taken into account in the tool development. For example, the tool makes an allowance for full equivalence not always being achievable and allows the possibility to specify exceptions should be built in. This is based on examples from both the governments and the private sector. Taking the government example, the Government of Japan in its letter of equivalence determination addressed to the NOP, accepted three NOP-approved synthetic substances, asking the USDA “To take necessary action to prevent the use of the following substances in organic products, which will be exported to Japan”.<sup>3</sup> In the private sector, some of the IFOAM Accredited Certification Bodies have specified exceptions in their multilateral agreement with other IFOAM Accredited Certification Bodies. The multilateral agreement uses the IFOAM Basic Standards as the reference. These exceptions were made when a specific standard used by the certification body was more detailed and/or strict than the corresponding requirement of the IBS, and the certification body wished to maintain its own requirement when dealing with products certified by another body.

The IFOAM system was taken into account, particularly “criteria for variations” which were incorporated into the Tool. IFOAM uses these criteria when approving organic standards as equivalent to the IFOAM Basic Standards. IFOAM compares the applicant standard to the IFOAM Basic Standard and identifies the gaps. The criteria for variations are then employed to analyse these gaps and determine whether the variations in the applicant standard can be justified. Table 2 lists these criteria. If one or more of the criteria are met, then a specific standard can be judged as meeting the objectives of the IBS even though it varies from the IBS. So this aspect of the Tool can support and shape the process to decide whether objectives are met despite differences.

IFOAM believes that an organic production standard, when considered as a whole, can be greater than the sum of its parts. Therefore, IFOAM has also included measures to review and

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<sup>2</sup> The experience was investigated in the paper, Experiences of Equivalence and Recognition Mechanisms in the Regulation of Organic Agriculture (5th fifth ITF meeting).

<sup>3</sup> These are: (i) Alkali Extracted Humic Acid; (ii) Lignin Sulfonate (iii) Potassium bicarbonate (re. Letter from Ministry of Agriculture, Forestry and Fisheries, Japan to the USDA, 6 February 2001).

consider the whole applicant standard in relation to the IFOAM Basic Standards. The comprehensive picture of how the standards are both alike and different from one another is obtained by employing the matrix that is explained in Annex 3A and provided in the accompanying template, Annex 3B. This comprehensive overview is included in Table 1 Step 6.

For further information on the IFOAM system for recognizing organic certification standards, see Annex 2.

## **5 Tool for Equivalence Assessment**

### **5.1 General Description and Rationale**

This Tool is a synthesis of the mechanisms and processes that government and private sector actors in the organic sector have used for judging equivalence. These mechanisms and process are consistent with and probably influenced by the equivalence frameworks for equivalence in WTO TBT and Codex Alimentarius. The WTO framework – equivalence based on fulfilment of objectives – is used for the tool. All provisions of CAC GL 34 deemed relevant were also incorporated into the tool.

### **5.2 Scope and Use of the Tool**

This tool can be applied in either the government or private sector. Although it is formatted in the sense of a unilateral equivalence assessment of one standard with another, it could be suitably adapted to bilateral or even multilateral negotiations. It may also be used for specific organic equivalence agreements or as a tool within the context of more general bilateral trilateral, etc. trade agreements between countries. In the private sector, it can be considered by IFOAM as a reference for further developing its process to approve other standards. It can also be used by other standards setting bodies (including certification bodies with their own private standard) for recognizing other standards. The use of a common tool by governments and private standards-setting bodies to recognize private standards can especially enhance access to markets by producers and certification bodies operating in countries where there is no regulation of organic production, processing and labelling.

### **5.3 Terminology**

In the following discussion, the term “reference standard” means the standard that constitutes the basis of the equivalence assessment and “evaluated standard” is the standard for which a determination of equivalence with the reference standard is sought.

It should be recognized that governments and private stakeholders may have legal requirements and other obligations to constituents and stakeholders that precluded them from em-

playing all elements of the tool. Nevertheless, parts of the tool may be applicable. The tool and its rationale may also serve as a resource for further developing regulations and procedures to foster equivalence.

## 5.4 Features of the Tool

Features of the of the tool include:

*Clarification of Objectives:* The tool requires that the objectives of the standard are specified at the beginning of the assessment process. In cases where the objectives are not clearly differentiated in the standard itself there should be a process to identify objectives based on the content of the standard. The “common objectives” for production and processing identified in the ITF paper, Common Objectives of Organic Standards Systems (sixth meeting), are included as a table in the tool, as they might assist in the process of identifying objectives.

*Specification of the Scope of the Standard:* The boundaries for what is going to be considered equivalent are clearly established.

*Legal context of the standards:* In the case of governments, other legal texts that are relevant to the standard are disclosed.

*Comprehensive standards comparison:* Side-by-side comparison of the details of the standard are the norm in equivalence assessment. The tool include this comparison, but it also includes taking measures to view the evaluated standard as a whole against the reference standard as a whole. These measures are included based on the organically-minded premise that a whole organic standard may be greater than the sum of its parts. The tool provide a sample matrix for making both a side-by-side and comprehensive comparison, which is also useful for documenting and managing the dialogue in the assessment process (See Annex 3).

*Structure for the dialogue about equivalence:* Although meeting objectives is the primary focus of the assessment, dialogue on other matters should be undertaken and weighed in the decision making. In cases where gaps have been identified, there should be opportunity to:

- demonstrate how other provisions of the evaluated standard provide outcomes consistent with a particular standard;
- demonstrate that the evaluated standard meets one or both of the international standards (not really standards but guidelines), that is, Codex Alimentarius and IFOAM;
- consider legitimate reasons why the evaluated standard is different from the reference standard, or even from the international standards, but still meets objectives. These could be conditions where climate, geographical, technical problems as well as economic, regulatory or cultural factors rationalize a variation from the reference standard. The tool provides a framework of “criteria for variations” for this discussion;
- consider how the applicant standard when considered as a whole (including where it goes beyond the reference standard) meets the objectives of the reference standard.

*Transparency:* The USDA equivalence procedures include a policy statement that “US equivalence determinations will be transparent, enabling all interested parties and the public

at large to understand the basis for U.S actions.”<sup>4</sup> Transparency can build trust among all affected stakeholders and enable learning about equivalence processes, which can foster more equivalence. This tool includes in procedures for notification and for public availability of documentation about nature and scope of the equivalence and the equivalence process. However, creating transparency and responding to the results of it can be very time consuming and burdensome on parties engaged in equivalence assessments. It is recommended that the ITF discuss and agree on guidelines for optimizing transparency.

**Table 1: Steps**

<p>Definitions:  <b>Reference standard:</b> The standard that constitutes the basis for an equivalence evaluation.  <b>Evaluated standard:</b> The standard for which a determination of equivalence with the reference standard is sought.  Codes:  R: Owner of the Reference Standard  E: Owner of the Evaluated Standard</p>
<p><b>Number: 1</b>  <b>Step:</b> Submit standard and specify scope (geographic and products/production/processing) of the evaluated standard for which equivalence assessment is requested.  <b>Who:</b> E  <b>Outcome:</b> The basic document is provided and boundaries of the evaluated standard are understood “up front” .</p>
<p><b>Number: 2</b>  <b>Step:</b> Specify objectives of the reference standard and the evaluated standard  <b>Who:</b> R, E  <b>Outcome:</b> The objectives of each standard are known.</p>
<p><b>Number: 3</b>  <b>Step:</b> Specify which information in the equivalence process will be publicly available and not.  <b>Who:</b> R  <b>Outcome:</b> The degree of transparency is established and known to the parties engaged in the equivalence discussion.</p>

4. NOP 5004, Equivalence Determinations Procedures, 5 January 2007.

**Number: 4**

**Step:** In the case of governments, disclose all related legal texts and explain their relationship to the standard.

**Who:** E

**Outcome:** Impacts of related texts on the standard and its objectives are known. (e.g. if the standard refers to another legal text).

**Number: 5**

**Step:** Issue public notification that a standard will be assessed for equivalence.

**Who:** R

**Outcome:** Transparency of the undertaking.

**Number: 6**

**Step:** Comprehensively compare the evaluated standard (or relevant parts thereof) with the reference standard, and identify both the gaps and the additional requirements of the evaluated standard. In the case of governments, include consideration of related legal texts.

**Who:** E

**Outcome:** The detailed basis for the equivalence assessment is established. (Gaps are the focal discussion points and additional requirements help to determine if objectives are achieved).

**Number: 7**

**Step:** Evaluate the comparison, give feedback and invite written response to feedback which:

- corrects errors and omissions;
- points out where the evaluated standard meets either or both of the international “standards”, Codex and IFOAM;
- addresses criteria for variations (see Table 2);
- demonstrates how other provisions of the evaluated standard provide outcomes consistent with the standard or objectives;
- comments on how the standard when considered as a whole meets the objectives of the reference standard.

**Who:** R

**Outcome:** Refinement of the assessment and moving it from conformity towards an equivalence determination.

**Number: 8**

**Step:** Respond to the evaluation.

**Who:** E

**Outcome:** Same as above.

**Number: 9**

**Step:** Evaluate response<sup>5</sup> with respect to the objectives of the reference standard,

**Who:** R

**Outcome:** Reduction of barriers to the equivalence from the gaps.

**Number: 10**

**Step:** Make a preliminary decision.

**Who:** R

**Outcome:**

**Number: 11**

**Step:** Issue public notice of preliminary decision and invite public comment (and in the case of governments notify WTO TBT).

**Who:** R

**Outcome:** Transparency of preliminary decision and opportunity for stakeholder input.

**Number: 12**

**Step:** Review public comments and issue final decision.

**Who:** R

**Outcome:**

**Number: 13**

**Step:** Communicate the final decision to the owner of the evaluated standard, including requirements for notification of changes, and right to reassessment and/or termination of the agreement, and request approval.

**Who:** R

**Outcome:** Measures to address the maintenance and integrity of the equivalence.

**Number: 14**

**Step:** Consent to the requirements for equivalence.

**Who:** E

**Outcome:** Same as above

**Number: 15**

**Step:** Make final decision publicly available.

**Who:** R

**Outcome:** Transparency of final decision.

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<sup>5</sup>. The evaluation and response may require several cycles before an equivalency decision is made.

**Table 2: Criteria for Variations in Standards<sup>6</sup>**

<p><i>There may be conditions where climate, geographical, technical problems as well as economic, regulatory or cultural factors rationalise a variation from the reference standard. The variations are to be achieved without prejudice to fair competition, consumer trust in organic and international harmonization necessary for international trade. The need and necessity for the variation shall be established on at least one of the following:</i></p>
<p>a. Climatic, geographical, structural conditions prevent effective application of the IBS<sup>7</sup> requirement; or compliant methods to the expected requirement of the IBS are not achievable or feasible;</p>
<p>b. The application of an IBS requirement would prevent the further development of organic agriculture;</p>
<p>c. The application of an IBS requirement would seriously contradict generally accepted religious or cultural beliefs;</p>
<p>d. The application of an IBS requirement would prohibit compliance with legal requirements or legitimate sector regulations;</p>
<p>e. The application of an IBS requirement does not meet the commonly agreed “state of the art” of the organic movement in that region due to a different historical development of a variant practice which has been functioning for many years.</p>

**Table 3: Common Objectives for Organic Standards Systems<sup>8</sup>**

<ul style="list-style-type: none"> <li>• Protecting and enhancing soil quality;</li> <li>• Minimizing or avoiding use of synthetic chemical fertilizers, pesticides and fungicides;</li> <li>• Protecting and enhancing biodiversity;</li> <li>• Avoiding pollution;</li> <li>• Responsible use of other resources (e.g., soil water and air);</li> <li>• Responsible treatment of farm animals;</li> <li>• Prohibiting use of other technologies (biotechnology and irradiation);</li> <li>• Planning for (management plan) organic production;</li> <li>• Verifying (certifying to) all of the above (this includes use of organic seeds, auditing, traceability of products and labelling for the market); and</li> <li>• Maintaining organic integrity in the processing systems used for organically produced products.</li> </ul>
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<sup>6</sup> Source: IFOAM Policy 42.

<sup>7</sup> IBS: IFOAM Basic Standards.

<sup>8</sup> From the ITF paper, *Common Objectives of Organic Standards Systems* (sixth meeting). This is an example derived from research, but not formally established through a stakeholder consultation process.

## 6. Complimentary Actions to the Equivalency Tool above

This paper has included some points which are highlighted as recommendations to the ITF.

**Recommendation 1:** The ITF may consider, through its members, to make a recommendation for the next review of the Codex Alimentarius Commission CAC GL 32, *Guidelines for the Production, Processing, Labeling and Marketing of Organically Produced Food*. If and when CAC GL 32 is reviewed, members could ask to examine whether a) the production and environmental objectives of CAC GL 32 are sufficiently clear, and b) the details of the document are at the optimal level, relative to its use as an international reference norm for equivalence (which, for example, the EU Commission has now designated it).

*Rationale:* The CAC GL 32 contains many prescriptive details, particularly in the section on animal husbandry. The document may be more useful in the process of equivalence determination, if it were more oriented toward describing what organic standards should achieve. It could also benefit from having a clearly defined set of principles and objectives from which specific requirements are then drawn.

**Recommendation 2:** The ITF could recommend guidelines to optimize transparency in the establishment of standards and conformity assessment systems and also in the negotiation among actors of agreements that will affect trade in organic products.

*Rationale:* As observed in the paper, “Experiences of Equivalence and Recognition Mechanisms in the Regulation of Organic Agriculture” (fifth meeting) and highlighted above in “Features of the Tool”, the decision criteria and the logical processes for decisions on equivalent are not always transparent. However, the burdens of providing transparency may delay and even block assessment and determination of equivalence. It seems that this trade-off also could be applied to other processes of interest to the ITF, such as standards setting and recognition of conformity assessment. The ITF’s objectives could benefit from shared understanding of and guidelines for optimizing transparency.

See page 107 for ITF glossary.

# Annex 1

This annex lists the Criteria for the assessment of solution and includes analysis of how the Tool for Equivalence of Organic Standards and Technical Regulations relates to the Criteria.

## **Strategy on solutions for harmonizing international regulation of organic agriculture**

### **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 (2003) it is possible to propose the following broad requirements for the development and implementation of a harmonized regulatory system in the organic sector.

Overall the model should:

#### **1. Provide for continued growth of organic agriculture and maintenance of its principles.**

*Analysis: The overall purpose is maintained by the Tool. There are provisions both for flexibility and also for control by reason of objectives and criteria for variations.*

#### **2. 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 effort in rule setting and decision-making,

*Analysis: The tool provides a mechanism that enhances the potential of this approach.*

#### **3. 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 bi- and tri-lateral agreements is limited only to the participating countries or bodies. If our aims are to provide for fair competition amongst operators across the world, then bi- or tri-lateral negotiated agreements would seem inadequate. On the other hand bi- or tri-lateral agreements may be seen as a practical way of proceeding in the absence of a broader agreement. The Rome ITF

meeting emphasised that “fair” should mean level playing field and not be allowed to lead to protectionist measures.

*Analysis: The Tool can also be applied between private standards-setting bodies (and CBs that engage in standards setting), and therefore is non-discriminatory and scale-neutral with respect to users. It is purposefully designed to accommodate regions where there are no regulations or governments who wish to negotiate equivalence of their regulations.*

#### **4. Adequate and consistent consumer protection and trust**

This is a basic objective with the same limitations in relation to bi- and tri-lateral agreements.

*Analysis: The objectives basis for the determination of equivalence should be sufficient to ensure consumer trust. The ITF review of consumer research established that consumers are probably not interested in the details, but only in the overall ideas about organic agriculture.*

#### **5. Sensitivity to different biophysical, socio-economic environments**

This requirement addresses the need not only for sensitivity to different agricultural environments but also to 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 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).

*Analysis: This Tool covers situations where there is no regulation and also is sensitive to different agricultural environments and stages of development of organic agriculture. This is the profound strength of this tool compared to the current situation.*

#### **6 Stakeholder support and involvement**

The 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, the import markets dominate 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.

*Analysis: This tool provides conditions for open and transparent communication between the negotiating partners and with other stakeholders at the end stages of the equivalence process. The tool begins to address, but does not neutralize the dominance of the import market over the export suppliers, so the fundamental problem remains. But that problem transcends the organic sector.*

### **7. Take account of national sovereignty and market choice**

Governments have a responsibility to serve and protect their constituency and this must be respected. Likewise 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.

*Analysis: The Tool provides flexibility and discourages barriers based on protectionist ideas. However, no Tool for equivalence can guarantee protection from the special interests, and they will always be with us.*

### **8 Transparency of operation and decision-making**

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

*Analysis: This Tool offers transparency in the preliminary judgment, but not necessarily to all the machinations of the equivalence dialogue. The ITF should comment on this.*

### **9. Led by principal trade policy provisions**

The 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.

*Analysis: The fulfilment of this provision is obvious in the logical development of the Tool. However, the judgment of whether similar objectives are being met in the organic sector cannot be quantified and must be ascertained by qualitative analysis.*

### **10. Benefit to producers and consumers and the organic market as a whole**

The regulatory systems’ principal clients are 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.

*Analysis: The ultimate benefits to individual actors are realized in not only a slice of the pie but also in a growth in the size of the pie. For actors overall, the growth and development of organic markets worldwide will improve the position of the organic sector in the agricultural sector, by any means of measurement. The overall aim is to institute organic agriculture and organic markets worldwide. It is, therefore, a worthwhile effort to pursue equivalence and harmonization in the interest of all producers and consumers, no matter whether they are in Burkina Faso, the Philippines, or Denmark.*

## Annex 2

### Policy 42

#### **IFOAM Approval of Certification Standards Based on the IBS**

##### **Purpose**

The purpose of this policy is to set the procedures applicable for the approval of certification standards by IFOAM in order to

- acknowledge that organic certification standards may vary depending on local conditions or product specific needs
- improve transparency between different organic standards
- increase the accessibility to the IFOAM Organic Guarantee System by including several different certification standards (private or governmental) that are equivalent with the IBS
- facilitate global acceptance of organic products certified under different systems.

IFOAM acknowledges that certification standards from different regions or for different product categories may vary to some extent. Standards reflect local conditions such as climate, cultural background, the stage of development of organic production or product specific needs, and the historical development of the standard itself. These specific conditions provide justification for standards variations, as long as the standards are based on the same understanding and commonly agreed principles of organic agriculture.

The IFOAM Basic Standards (IBS) are developed in line with a code of good practice for norms setting; they mark the baseline that differentiates organic from conventional production systems. The IBS however are neither intended nor eligible to be used as a certification standard. Rather, they provide a framework for the development of organic certification standards adapted to local or regional conditions or product specific needs.

Based on this understanding IFOAM provides the following policy and procedures applicable for the approval of certification standards by IFOAM.

##### **Policy**

###### **A. General**

1. There is one IFOAM Basic Standard, which differentiates organic from conventional production. The IFOAM Basic Standard serves as reference document for IFOAM to approve different organic certification standards.

2. An IFOAM approved certification standard (which may be either regional or product specific)
  - either complies with the IBS, as in the case of standards reviewed under the IFOAM Accreditation Program, or
  - is equivalent because it is justified under section B
3. An IFOAM approved standard may have a different scope and structure than the IBS; it does not necessarily cover all areas the IBS includes (e.g. aquaculture, wild harvested products, animal husbandry). However, a standard can only be approved in its entirety.
4. An IFOAM approved standard must have been developed in line with a documented standard setting process; that includes an open stakeholder consultation.
5. The IFOAM approved standard may not include IFOAM in its name.
6. A certification body (CB) certifying against an IFOAM approved certification standard automatically fulfils the standard requirements of the IFOAM Accreditation Program.
7. IFOAM may decide on a fee schedule for application and approval of certification standards based on the IBS.
8. IFOAM lists approved certification standards in its ‘public register of approved certification standards’.
9. Approved standards are periodically re-evaluated.
10. In order to protect IFOAM’s integrity, IFOAM reserves the right to withdraw the approval status for a certification standard at any time.

## **B. Process to judge equivalence**

Equivalence is based on results of evaluation of variations and assessment of the full set of standards.

### **Criteria for evaluation**

Standards submitted for approval that are not compliant to the IBS shall be evaluated. The following criteria serve as guidance for the objective evaluation of variant certification standards. They describe under what conditions variations to the IBS may be acceptable.

#### **(1) Need and necessity**

The necessity of the variation to the IBS may be justified by at least one of the following conditions:

- a) Climatic, geographical, structural conditions prevent effective application of the IBS requirement; or compliant methods to the expected requirement of the IBS are not achievable or feasible;
- b) The application of an IBS requirement would prevent the further development of organic agriculture;
- c) The application of an IBS requirement would seriously contradict generally accepted religious or cultural beliefs;
- d) The application of an IBS requirement would prohibit compliance with legal requirements or legitimate sector regulations
- e) The application of an IBS requirement does not meet the commonly agreed 'state of the art' of the organic movement in that region due to a different historical development of a variant practice which has been functioning for many years.

A variation that is not justified by the above is considered a deficient variation.

**(2) Definition of the region and/or conditions applicable (scope)**

Variant standards must specify the conditions and/or the geographical scope under which they will apply.

**(3) The variation does not violate the Principles of Organic Agriculture**

*Basis for decision*

The outcome of the evaluation of variations is the general basis for decision. Furthermore a certification standard:

- May be judged equivalent if it includes requirements that exceed those of the IBS and, on balance, these compensate for identified deficient variation(s).
- However, a certification standard including variations may only be judged equivalent if it enforces practices that clearly distinguish organic from conventional production and processing practices.
- A certification standard may not be judged equivalent if the number or nature of variation(s) is unacceptable.

*Procedures*

IFOAM defines detailed procedures<sup>10</sup> based on the general procedures given below.

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<sup>10</sup> Detailed procedures shall be established and approved by the NMC

<b>Steps</b>	<b>Action</b>	<b>Actor</b>
1	Application for approval; application follows a designed format	Applicant
2	Evaluation	SC
3	Review and final recommendation	NMC
4	Final decision	WB
5	Annual report of changes	Applicant
6	Assessment of annual reports	NMC
7	Confirmation of approval	NMC
8	Reapplication (every third year) following the application procedure	Applicant

This policy merges and replaces policy 25 (policy on variations in standards) approved by the GA, September 2000 and policy 42 (IFOAM approval of other standards) approved by the WB, September 2001; annex 2 of policy 42 approved by the WB May 2002.

Approved by the WB, 15 March, 2006

# Annex Three A

## Explanation of Sample Form for Managing Equivalence Assessment Process

### Matrix Tool for IFOAM Approval of Other Standards

#### **Preface**

The matrix was developed based on the following (see also Terms of Reference):

The Tool should provide for an overall picture of how the applicant standard (app-standard) compares to the IBS. It should provide overview where the

- app-standard is in good alignment with the IBS
- app-standard does not meet the IBS
- contains requirements that go beyond the requirement of the IBS.

Matrix should provide for a simple system to quantify the comparison however the matrix itself should not include any “weighting” of sections or subsection as being more important than others.

#### **Architecture of the matrix**

The attached matrix tool is created as an excel file as excel provides best possibilities to hide and unhide information as needed. As the whole process of approval of other standards involves several persons and different bodies the file provides for the comprehensive and transparent inclusion of all relevant information (decisions, arguments, follow up etc.).

#### **Charts**

##### *Standards chart*

- The first two columns (column A, B) list the IBS standards beginning with section B 2. Organic Ecosystem to section 8. Social Justice; the first column includes the IBS numbering system only, the second IBS standard wording.
- In the third column (column C) the respective app-standard requirements can be inserted.
- In the following four columns (column D to G) the outcome of the comparison evaluation/assessment of the app-standard is indicated by categories. For an easy (visual) understanding these categories are marked with different colours according to the table shown below (categories are based on policy 42 and on the experience gained with applying the AOS standard into the matrix):

**Assessment categories**

●	accepted (compliant/equivalent)	App-standard requirement is considered as compliant or equivalent
●	not accepted (deficient/not addressed)	App-standard is neither accepted as compliant or equivalent nor accepted as variation
●	not yet discussed (only interim)	After finalizing the procedure this category does not exist any longer
●	accepted variation	Following policy 42 standard difference is an accepted variation App-standard goes beyond IBS:
●	exceeding IBS requirements	● indicates that app-standard requirement is exceeding (more restrictive) IBS standard requirements
●	issue not addressed by IBS	● indicates that the scope of the app-standard is broader.
<p><b>Technical information:</b>  Please note that the coloured points are created in “Arial black” bold type, press a simple small o. Colour can be changed by choosing the colour icon.  The matrix chart has already four formatted columns in Arial black bold.</p>		

- In the last column (column H) comments and rationales may be submitted.

**Using rows and columns:**

Headings of IBS chapters and subchapters have one row each (e.g. 2. Organic Ecosystems, 2.1 Ecosystem management) with gray background.

Standard requirements have one row each for each single standard requirement (e.g. 2.1.2 Clearing of primary ecosystem is prohibited) with a light blue background.

In case a requirement is discussed and arguments are exchanged between the applicant, SC and IOAS, a new row can be used to document the arguments exchanged (information rows). For a better overview added rows for information should use another type colour (blue) with a white background (standard row).

Arguments of the SC and IOAS should be inserted in the comment column (information row) with a white background).

Arguments or points of clarification of the applicant should be inserted in the app-standard column as these arguments belong to the app-standard (information row) with white background).

As the SC has the responsibility for the final assessment, its decision and rational (final or current decision) should be documented in the comment column in the standard row with light blue background (not in the information row).

### **Description for use**

Each involved body and the applicant may use the same file and may feed in their information. The hide and unhide function of excel provides the possibility to condense step by step the information and 'judgement' without losing or deleting any detail. Transparency of decisions is achieved in any cases, information can be unhidden again.

When all other rows have been hidden the matrix shows only the headings of chapters (e.g. 2. Organic Ecosystem) and subchapters (e.g. 2.1 Ecosystem Management).

Standard requirements under each subchapter may be viewed by using the hide/ unhide function of excel.

### **Indicating categories and summarizing**

Depending on the outcome of the comparison each standard requirement can be marked with one of the colored marks according to the category template shown above.

Once the evaluation of each standard of a subchapter is completed a summary of the judgement is transferred to the subchapters row.

The figure in brackets after the headings indicates the number of standards in each subsection. A (2) for example indicates that the relevant subchapter contains two standard requirements. Therefore the summary of the subchapter is indicated by two marks in the subchapters row.

- In case a subchapter contains two standards and both are considered as equivalent/compliant this is shown by inserting two green marks in the subchapters headline row.
- In case one of the two standards is considered not acceptable, the second as equivalent/compliant it is indicated by inserting an orange mark and a green mark.
- In case one of the two applicant standard requirements is more restrictive compared to the IBS the relevant standard is marked purple dark which is also transferred to the subchapters line.

The sum of the green, orange, (black) and dark purple marks cannot exceed the number of standards of each section which is indicated by the figure in brackets.

Additional marks can be inserted only in case the app-standard contains issues that are not addressed by the IBS, this is marked by a light purple mark .

Working through chapter by chapter the standards assessment can be carried out each by each. Once the standard rows are hidden completely by using the hide function the summary shows a simple assessment as each standard mark is transferred to the sub-chapter headline row.

This picture provides for the overall summary and shows how the applicant standard compares to the IBS, without showing the details.

Decisions and details, in any case, can be viewed by using the hide/unhide function.

If the overall summary shows, for example, that in one of the subchapters there is still an orange mark for not accepted and all others are marked green only, the orange marked issue, the rational and exchanged arguments can be retrieved and understood easily by using the hide/unhide function.

List charts:

For list comparison purposes the matrix provides for four additional substances charts following IBS structure.

Chart Appendix 1 Fertilizers and Soil Conditioners

Chart Appendix 2 Crop Protectants and Growth Regulators

Chart Animal Nutrition (prohibited substances in the diet according to IBS 5.6.4)

Chart Appendix 4 List of approved Additives and Processing Aids.

The charts include all substances listed in the IBS Appendices and listed in 5.6.4.

Lists of an applicant standard can be typed in, focusing especially on identifying substances that are allowed in an app-standard but not in the IBS.

It may also be possible that substance annotations differ, therefore, the charts provide for columns to include the annotations in order to get an idea how substances are restricted in each standard if applicable.

### **Assessment**

The outcome of the comparison evaluation/assessment of the app-standard substances is indicated by the same categories used in the standards chart (see explanation above). As this is a substance against substance comparison the exceeding category is not separated into exceeding (more restrictive, ●) or broader scope ○. Only ● is used.

Different to the standards chart the substances charts also do not provide for information rows as for relevant information the comment column may be used.



# **Potential Negative Effects of Equivalence Agreements in the Context of Organic Agriculture**

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## 1. Introduction

This report was prepared in response to a decision by the Sixth (Stockholm) meeting of the ITF. Participants agreed (Report, page 16) to a “brief review of the potential negative effects of equivalence on the regulatory system”, being prepared and brought to the next meeting.

The term “equivalence” is used in accordance with the ITF Glossary to mean “The acceptance that different standards or technical regulations on the same subject fulfil common objectives”. “Standards” are defined in the Glossary to be voluntary, “technical regulations” are mandatory.

ITF has discussed the question of equivalence in its earlier work, see especially “Current mechanisms that enable international trade in organic products” (Bowen 2004); “Existing and potential models and mechanisms for harmonisation, equivalency and mutual recognition” (Courville & Crucefix 2004); and “Impact of organic guarantee systems on production and trade in organic products” (Wynen 2004).

There seems to be no previous dedicated studies made of possible negative effects on equivalence agreements. One could speculate that this might be because the conclusion of such agreements normally lead to short term advantages in the form of increased trade, thus reducing academic, regulatory or commercial interest in longer term consequences.

However, some areas worthy of ITF’s consideration can be identified.

## 2. Transparency and Non-discrimination

One obvious negative effect of the practice of concluding equivalence agreements instead of using multilaterally agreed standards is the (relative) loss of transparency.

Equivalence agreements are bilateral, negotiated and signed between governments. In principle, they should be notified to the World Trade Organization (WTO), giving details of contracting parties and content of the agreement. This does not always happen, which of course contradicts both WTO-agreed transparency and non-discrimination rules.

For instance, the European Union has not notified its “third country list”, consisting of eight countries. If notification does not take place, competitors could be left unaware of the fact that an agreement exists. Details of the negotiations between the United States and the European Union concerning their agreement have not been disclosed, even though the agreement text is publicly available.

non government organizations (NGOs), may or may not be involved in the domestic preparations and negotiations taking place and leading to the bilateral agreement. The agreement itself, once concluded, may or may not be published and made publicly available for interested parties. If the agreement itself is not easily available, this places exporter and importer

operators in a quandary, making it difficult to know whether exports will be accepted by the importing country.

This is fundamentally different to a multilateral approach, where negotiations are conducted much more in the public eye. Once concluded the texts, including lists of signatories, are published and available for everyone to see.

### **3. Equivalency Agreements are Time-consuming and Costly to Negotiate**

Equivalency agreement negotiations involve detailed studies of trade flows, technical regulations and control mechanisms. Each party to the agreement must form a detailed understanding of the other party's regulations and expectations. This takes a great deal of time and expertise, and requires a bureaucratic machinery. This is recognized within WTO, where two agreements (the Agreement on Sanitary and Phytosanitary Measures, SPS) and the Technical Barriers to Trade Agreement, TBT) make references to such agreements.

Article 2.7 in the WTO Agreement on TBT concerns "measures", such as technical regulations. It does not cover standards as such. Some WTO members have suggested that standards should also be included, perhaps by a mention in Appendix 3, Code of Good Practice, to the TBT Agreement.

The SPS Committee, in a decision dated 4 June, 2001, recognizes that developing countries have faced difficulties applying equivalency measures. The decision specifically mentions the fact that developing countries have had problems getting importing countries to accept the equivalence of measures taken. This implies that negotiating does not always take place between two equal partners. The SPS Committee, in its decision, notes that 1) there may be other less time-consuming and resource-intensive means of enhancing trade opportunities than equivalency agreements, and 2) developed importing countries should give "full consideration" to requests from developing countries for technical assistance.

The potential number of equivalency agreements is, of course, very large, if every trading partner should conclude one such agreement with every other trading partner. In reality, the number is smaller, as Japan, United States or the European Union tends to be one of the partners to such agreements. The number is still significant, though. For instance, organic imports into the European Union come from more than a hundred countries.

#### **4. Costs for Exporting Countries Introducing Technical Regulations Developed by Importing Countries for Their Own Use**

Exporting countries introducing technical regulations developed by importing countries would, in principle, cause problems, for several reasons. The importing countries' cultural and climatic sets of circumstances would likely be reflected in the technical regulations. If there are significant differences in these regards between importing and exporting countries, this would lead to the exporting country having technical regulations not fitted to its climatic and/or cultural circumstances.

It may not be strictly relevant for the organic integrity of the finished product, for instance, for South Africa to follow the very detailed rules for compost that are included in the South African technical regulations, emanating from the EU legislation. Another example is the rule for organic seed in the EU legislation, which was developed for and by markets with decades of experience of organic farming. It is very difficult to follow these rules, including the full documentation, for a country with less experience, even though the basics of organic production may be present, such as non-use of pesticides and synthetic fertilizers.

One must also remember that an equivalence agreement normally applies only to products from the two agreeing countries. In effect this means that imported inputs are not covered. This could give the effect that exports of raw materials are possible, while ready-made products with multiple ingredients (if all the necessary inputs are not domestically produced in sufficient quantities) are not. In such a case, the exporter is reduced to being a supplier of raw materials and has no possibility to move upwards in the supply chain. For instance, in the case of the European Union's "third country list", only the agreements with New Zealand, Israel and Switzerland includes the possibility to use imported inputs.

Costs can also be said to include lost opportunities domestically, if the technical regulations introduced are too demanding, or come at a premature time in the process of growth of an internal production and/or market. Standards evolve over time, and introduction of ready-made standards likely hinders such a development. In Sweden, the first KRAV private standards, introduced in 1985, were printed on one page and concerned only vegetable production. The present ones are more than a 100 pages and contain standards not only for vegetable production but also for animal husbandry, restaurants, textiles, wild and farmed fish production, etc. After Sweden's accession to the European Union, the KRAV standards also have to take the (changing) EU standards into consideration, where applicable.

The acceptance of an importing country standards by exporting countries diminishes the impetus for achieving harmonized international standards, at least for the importing country, leading to indirect costs for the exporter. On the other hand, the process of negotiating an agreement could lead to added knowledge and a desire from the exporting country to seek harmonization in international fora.

The WTO, in its report “Trade, standards and the WTO” (WTO 2005) points out that since countries differ in terms of levels of development, technology, environmental requirements and preferences, it is natural that optimal national standards (that is, the specification of the type of standard that solves a market failure) differ across countries. Standards may, therefore, have a negative impact on trade even if they have been designed to help certain markets to operate more efficiently. Costs may also fall disproportionately on foreign producers if standards result in a lower scale of operation, for instance because the producer has to meet a different standard for home and export markets.

No examples of an exporting country copying an importer’s organic legislation have been found in the limited time available for the preparation of this short paper. Many national technical regulations owe much to either IFOAM’s IBS or the Codex Guidelines, which in turn are similar in many respects. Japanese and EU regulations reference Codex Guidelines.

## **5. Effects on harmonization**

The TBT Committee in 2003 gave voice to concerns that equivalency agreements can hinder the development of international standards, and reminded WTO members of their commitments concerning transparency and non-discrimination. No examples were, however, given.

Among countries that have concluded equivalence agreements, there seems to be general agreement that internationally agreed harmonization is the preferred option. Until such harmonization is achieved, equivalence agreements constitute a good interim measure, giving many of the positive effects, such as trade enhancement, predictability and a guaranteed access to markets. Such agreements can also have the positive effect of functioning as a stepping-stone towards initiating the international work necessary for harmonization. There will always be a gap between the time where a need for an international standard has been identified, and the standard is in place and functioning.

The question of market demands and private standards, often with higher requirements than government ones, falls outside the scope of this short paper. It is worth considering, however, the situation of exporting country governments and operators who have spent time and money negotiating (with an importing country government) legal access to a market and then, when trying to start exports, encounter higher or different demands made by buyers or private certification organisations.

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# **Cooperation in Conformity Assessment for Certification Decisions and Import Approvals**

*Gunnar Rundgren*

Grolink

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## 1. Introduction

The ITF is interested in reviewing background information related to the scope of cooperation among certification bodies and between governments and certification bodies. One specific topic of interest is whether governments and accreditation bodies should allow an organic certification body provide certification to an operator and/or product if it is based on an inspection and certification conducted by another certification body. This topic was raised in the ITF paper, “Cooperation between Conformity Assessment Bodies in Organic Certification” (Ong 2006). The aforementioned paper also noted the possibility of certification bodies (CBs)<sup>1</sup> playing a stronger role in the government regulatory systems’ approval of imports. Such a role would allow recognition agreements between CBs to be actionable both for regulatory as well as private label schemes. This paper builds on the previous paper but focuses only on those two issues and to make their relevance for the ITF mission clearer.

The working together of CBs is a difficult issue, and was identified by the Independent Organic Accreditation Services Ltd as the most problematic issue when it comes to compliance with IFOAM Criteria (IOAS 2006). Lack of cooperation and mutual recognition<sup>2</sup> between CBs is also repeatedly identified, e.g. in the EU action plan and several ITF papers, as an obstacle for market access as well as a factor that makes the control systems less reliable. To find models for cooperation would benefit both organic operators and consumers alike. Ultimately, governments would have a better system for less cost if they were able to build on it.

The situation in most other sectors differs from the organic sector. Most certification systems have no need to “delegate certification authority” or “let CBs decide on import approvals” as they do not operate product certification linked to a strong mark, which is one of the main reasons in organic certification for delegating a decision. Further, many do not operate in a regulatory environment where government policies can limit trade. In most cases of organic certification, the original certification is accepted just as it is, a solution that is of course simpler than any other procedure. However, government regulations have generally chosen another path. The proposals here should be seen within that context.

Further, in many discussions, certification bodies, in particular those with strong brands in major importing countries, are seen as obstacles for a smooth trade with organic products. However, the two issues under discussion concerns cases where CBs may want to be more open, but are limited by either government rules or international standards or both.

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<sup>1</sup> This paper will use the term certification bodies (CBs) to describe Conformity Assessment Bodies involved in certification.

<sup>2</sup> Mutual recognition is almost a pre-condition for cooperation.

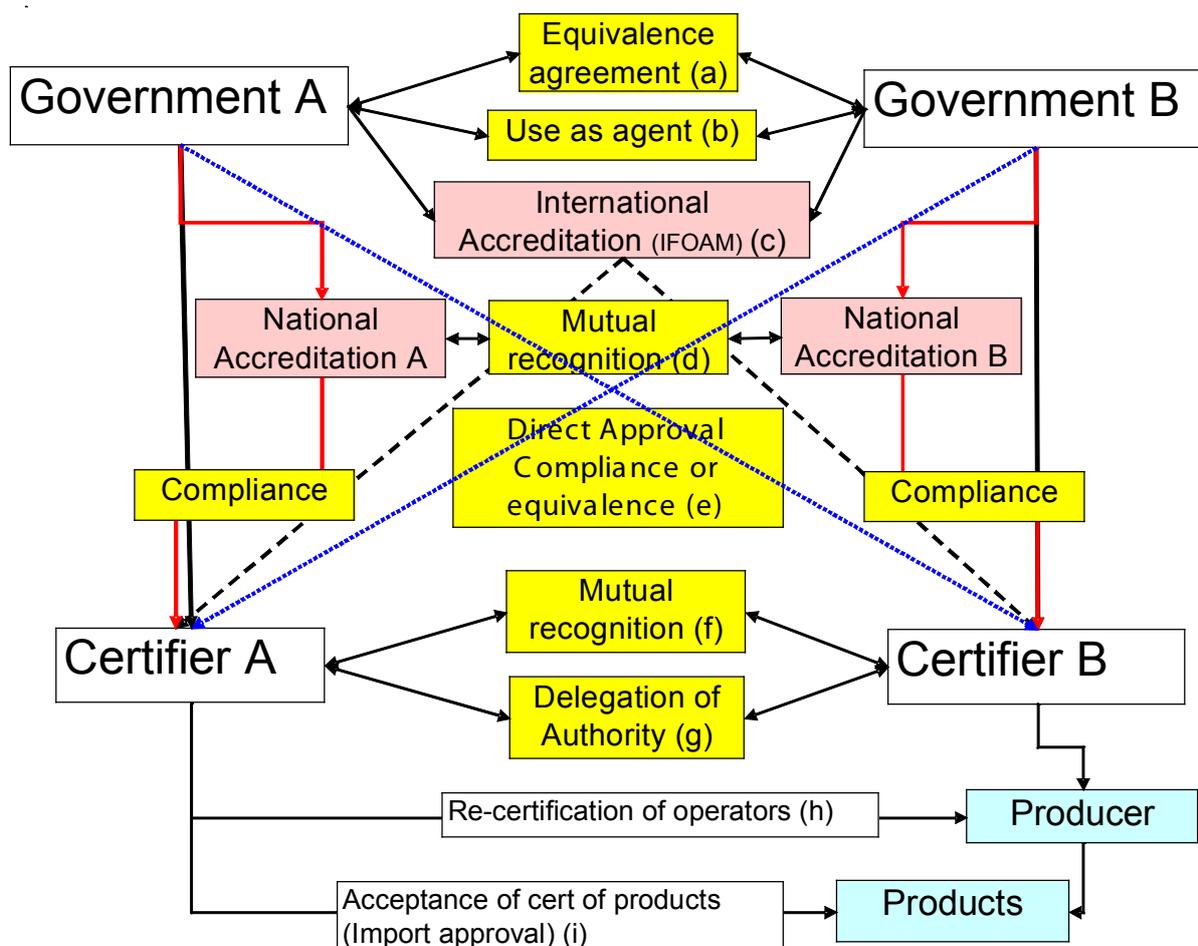
## 2. Putting CB Cooperation in the Right Context

### 2.1 The Regulatory Scenario for Import Market Access

The main mechanisms for acceptance of imports to a regulated market are (letter in brackets refer to graph):

- equivalence agreements between governments (a)
- multilateral agreements between accreditors (d)
- acceptance of International Accreditation (c)
- direct approval of foreign certification bodies (e)
- mutual recognition agreements between CBs (f)

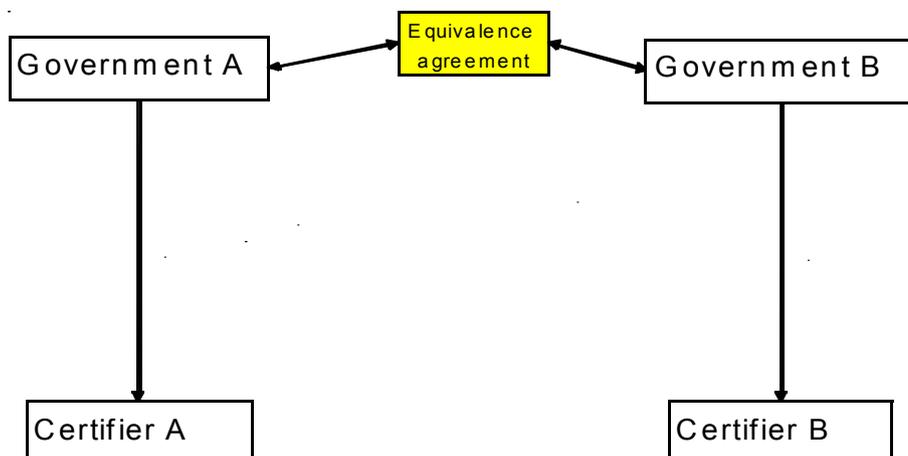
Some regulations use only one mechanism, but most use several of them. This paper deals with aspects linked to mutual recognition between certification bodies, but first it describes the other systems in order to clarify their application and limitations and explains why mutual recognition between certification bodies can be an important complement to these functions.



## 2.2 Equivalence Agreement Between Governments

Equivalence agreements are a major component in governmental import regimes. It is also promoted in World Trade Organization (WTO) agreements (TBT and SPS<sup>3</sup>). According to ITF agreements, equivalence should be based on international standards for production (Codex or IFOAM) and international requirements for certification bodies, such as the ones developed by the ITF itself, i.e. IROCB. ITF is also developing a tool for equivalence.

For the organic sector developing equivalence has been a slow process, and is inefficient. Even with improved tools such as those developed by the ITF, it will remain difficult, and limited to bigger trade volumes. So even if equivalence between governments represents a solution, other mechanisms are still needed. This has been acknowledged in most organic regulations as they also provide other options for market access.

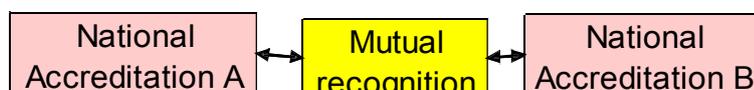


## 2.3 Mutual Recognition Between Accreditation Bodies

The ITF has expressed its strong support for mutual recognition agreements between CBs. Accreditation is a process that can facilitate international trade. However, in the case of the organic sector it has not shown to be very efficient. The main reason for this is that when regulations mandate both accreditation and government approval, as is required by the EU Regulation, accreditation becomes another obstacle as it is required in addition to government approval. "Accreditation" by the US Department of Agriculture (USDA) is a special case, but is in essence a government approval. This is shown by the fact that the National Organic Pro-

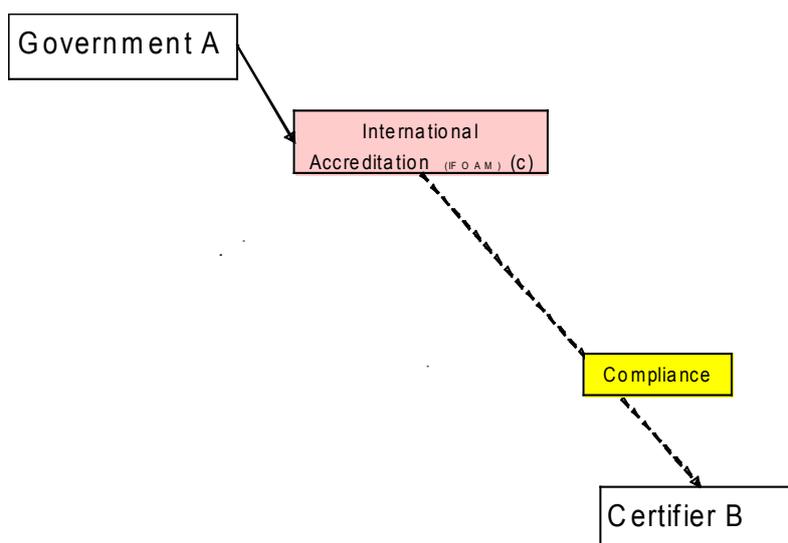
<sup>3</sup>TBT: Agreement on Technical Barriers to Trade; SPS: Sanitary and Phytosanitary Measures

gram (NOP) does not indicate any role for mutual recognition agreements between the USDA and other accreditation bodies, but rather with government authorities (see more below).



## 2.4 Acceptance of International Accreditation

A simple solution would be to recognise international accreditation as a basis for import approvals. This was always the vision for the IFOAM Accreditation system. The IFOAM Accreditation system has received explicit acceptance by some authorities (Paraguay, Republika Srpska<sup>4</sup> and South Korea) or de facto acceptance, e.g. by Mexico. However, in addition to having only limited acceptance, the system is also demanding (requirements are perceived as high and not flexible enough<sup>5</sup>) and costly and is, therefore, not likely to provide THE solution. Nevertheless, it is a readily available mechanism that could be used more. It should be noted that while IFOAM accreditation itself operates based on compliance, i.e. that certification agencies have to comply with the IFOAM Norms, acceptance of IFOAM Accreditation would be based on equivalence (as there is no government regulation that is uniquely based on IFOAM norms).



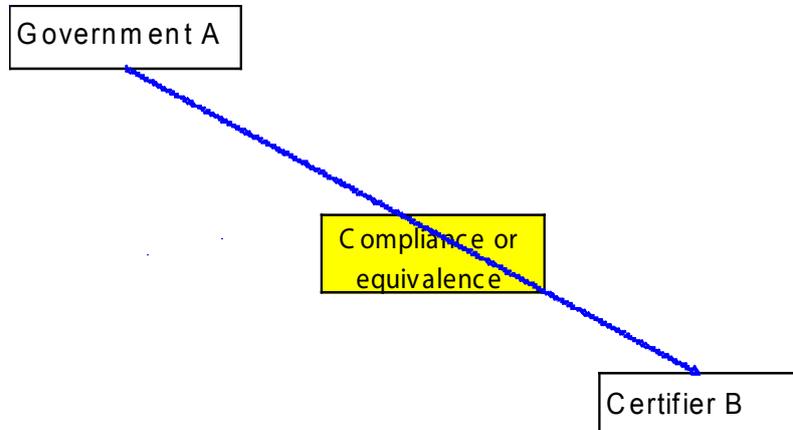
## 2.5 Direct Approval of Certification Bodies

This option, practiced by Japan and the United States, has got substantial uptake. Also the new EU Regulations (834/2007 and 1997/2006) introduce an opportunity for direct approval of certification bodies. In the case of the United States the approval is based on compliance with the NOP, e.g. the standards of production and the certification procedures are the same

<sup>4</sup> One of the entities of Bosnia and Herzegovina.

<sup>5</sup> It is likely the current revision of the IFOAM Guarantee System will make the system more accessible. However, it is outside the scope of this paper to expand on the pros and cons of the IFOAM Accreditation system.

for domestic and foreign bodies. The Japanese regulation appears to be similar. In the EU new Regulation 834/2007 approval of foreign CBs can be based either on compliance (article 32) or equivalence (article 33). The direct approval mechanism, especially if based on equivalence is likely to play a major role. Its main drawback is that it is costly (at least, for the Japanese and United States approval costs are high – the new European Union system might be for free) and demanding to go through, so is not a feasible option when trading small volumes. This is exemplified by how few CBs from Europe have sought direct approval in Japan (12 out of 172) and the United States (33 out of 172).



From the discussion above, it is apparent that additional mechanisms for import acceptance are needed. Those are to be found in the work of the main actors in the organic conformity assessment system, the certification bodies.

### 3 How Mutual Recognition Between Certification Bodies can Facilitate Market Access

#### 3.1 Mutual Recognition Between Certification Bodies

As with accreditation, the ITF also expressed strong support for mutual recognition agreements between certification bodies. ITF's concern has been mainly that many exporters, even when they finally get legal acceptance, still need approval or certification by private certification bodies for market acceptance. However, it has not been clarified in the ITF what role mutual recognition can play for regulatory access to markets. Certification bodies in a regulated market also have to consider the legal context that they operate in, and are not free to engage in mutual recognition agreements (MRAs), or rather, as long as the MRA is not legally recognised, it has little value and is rarely pursued. Therefore, both the private sector and the regulations have to be considered when discussing the issues, which is what this paper is about.

*The pertinent question is how, in addition to the methods above, can governments use certification bodies and cooperation between certification bodies as mechanisms to facilitate regulatory market access.*

### 3.1.1 Mutual recognition agreements

An MRA is a framework for cooperation to facilitate recognition. The existence of such an MRA might, in practice, not be very significant or it can have far reaching consequences.

Based on the MRA a certification body can:

1. Accept or certify products<sup>6</sup> under its own certification
  - a. Based on presented documentation from another CB
  - b. Based on the certificate from another CB
2. Certify operators certified by another CB<sup>7</sup>
  - a. Based on presentation of documentation from the other CB
  - b. Based on the certificate from the other CB
3. Delegate authority to another CB to certify production under its own standards and procedures<sup>8</sup>

There are some other options, such as the operation of a common mark, but they are outside the scope of this report.<sup>9</sup>

Option 1.a. is, to some, extent operational in the daily work of many certification bodies, and is also used in the regulatory context, e.g. a USDA accredited CB uses the work results of another CB as a basis for approval of products according to the NOP. How this should be done is not codified in the US or EU regulations. It sometime takes place even without a MRA in place.

Option 1.b. is operational under the MRA of the IFOAM Accredited Certification (ACB MRA) bodies (with some limitations) but applies only to the use of raw materials and is not recognised by the regulations, i.e. even if a product (produced in another system) is accepted by a CB within a certain legislation, it still has to follow all the legal procedures involved in getting acceptance for imports.

Option 2.a. The Japanese organic regulation has directly acknowledged this mode of working and says that it takes place based on a “trust-contract”. This also takes place with imports to the European Union and the United States, however their regulations do not acknowledge this and there are no guidelines for how it can take place.

Option 2.b. is not recognised by any of the regulations. Theoretically, it is within the scope of the IFOAM ACB MRA, although the IFOAM Accreditation Criteria explicitly prohibits the practice. The ISO 65 does not address the practise directly, but examples from other sectors, e.g. the European Committee for Electrotechnical Standardization (CENELEC) and Interna-

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<sup>6</sup>.This means that the products are accepted as compliant or equivalent to products certified directly, e.g. that a raw material certified by CB-B will be accepted in a product certified by CB-A. The difference between “accepting” the product and “certifying” the product is that when a product is “accepted”, it can enter into circulation/processing by certified operators, but the seller cannot claim the certification, which the seller could do if it were “certified”.

<sup>7</sup>.This means that the operator certified by CB-B can get an own certificate from CB-A.

<sup>8</sup>.That is, CB-B is authorised to issue certificates in the name of CB-A.

<sup>9</sup>.For more information about the operation of a common mark see ISO Guide 68.

tional Electrotechnical Commission (IEC) schemes, shows that it does appear to be accepted practise.

Option 3. As was noted in the ITF paper “Cooperation between Conformity Assessment Bodies (CABs) in Organic Certification” (Ong 2006) the ISO 65 and the IFOAM Criteria limits the right for certification bodies to delegate authority. Therefore it is not practiced formally in the organic sector (however, see more below under “ways around the limitations”). One function of this prohibition is that it supports integrated multinational certification bodies as opposed to independently operating partners working within a network<sup>10</sup>.

There is, *de facto*, little difference between Option 2 and Option 3, when it comes to the ability of a CB to take responsibility for its certification. In both cases the CB has to have sufficient basis to judge the reliability of the other CB, and is actually totally dependent on the other CB. The main difference is in the procedures and costs involved for the operator. Even in Option 1, the CB relies completely on the reliability of the other CB.

### 3.2 The Two Proposals

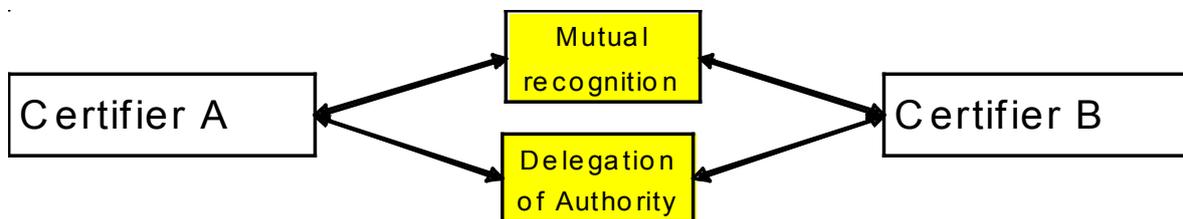
In order to facilitate trade in organic products, in addition to other methods, the following two mechanisms are recommended:

- the right for certification bodies to delegate certification decisions
- giving certification bodies the right to approve imports

The two mechanisms are discussed below.

### 3.3 Accepting the Right to Delegate Certification Decisions

Delegation of certification decisions means that CB A will authorise CB B to take the certification decision regarding compliance with the applicable standards and procedures of CB A. A certificate is issued in the name of CB A<sup>11</sup> (and normally CB B as well).



<sup>10</sup>. In the integrated multinational company all certification decisions are taken by the same legal entity, while in the network each partner takes certification decisions.

<sup>11</sup>The delegation could also allow CB B to issue the certificate, but it is more likely that CB A will still issue the certificate as it is normally linked to various administrative procedures.

According to the Chambers Dictionary: “delegation is the act of giving tasks to staff with authority to carry them out, whilst retaining the overall responsibility.” That means that the certification body that delegates decision making is still responsible for the decision. This is an important fact considering that it is this certification body that is subject to government approval, accreditation and supervision.

The current regulations do not explicitly prohibit this practice. However, it is explicitly prohibited by the IFOAM Criteria (1.2.2) and the ISO Guide 65 (12.2). Taking into account the definition of “delegation” it is hard to understand the basis for those norms, and no literature exists that explains or justifies this prohibition. There is also a contradiction between this prohibition and the “highest level” of mutual recognition, whereby certification bodies “accept” each others certification or where they allow producers certified by somebody else to use their mark, a practise that is not only recognised, but also promoted by the ISO (see more on the IEC schemes below and the ISO web site).

*In the ISO Development Manual on Conformity*

Assessment (second edition 1998), chapter 8 on Cross border recognition, under the section on Mutual Recognition, paragraph 6, the authors<sup>12</sup> wrote about the possibility of developing arrangements in which each party to the agreement empowers the other parties to issue an approval (certification) or accreditation on its behalf. “... if the agreement is among CABs, the product can be approved at once on behalf of all of them, meaning the product can bear the marks of any participating certifiers.” (Donaldson 1998 in Ong 2006).

*Conditions under which delegation of certification decisions should or could be allowed*

Obviously a certification body cannot just delegate certification decisions to any other certification body. A prerequisite is that there is a sufficient basis for the certification body to trust the competence of the other body and that there are functions to monitor the actual execution. This assumes some kind of agreement between the two bodies. Further, it assumes that the delegating body makes regular assessments of the other body, or that they are both part of a peer assessment group or that they are accredited either by the same accreditor, e.g. German Accreditation System for Testing (DAP) or the International Organic Accreditation Service (IOAS) or by accreditors that have accepted each other, e.g. members of the IAF<sup>13</sup>. If none of these are the case then there must be some other basis for safeguarding the competence of the other body (ISO Guide 68). Any acceptance of delegation of certification could be linked to the requirements in the ISO Guide 68.

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<sup>12</sup> J. Donaldson (American National Standards Institute) and H. Gundlach (Chair, International Accreditation Forum, Inc.).

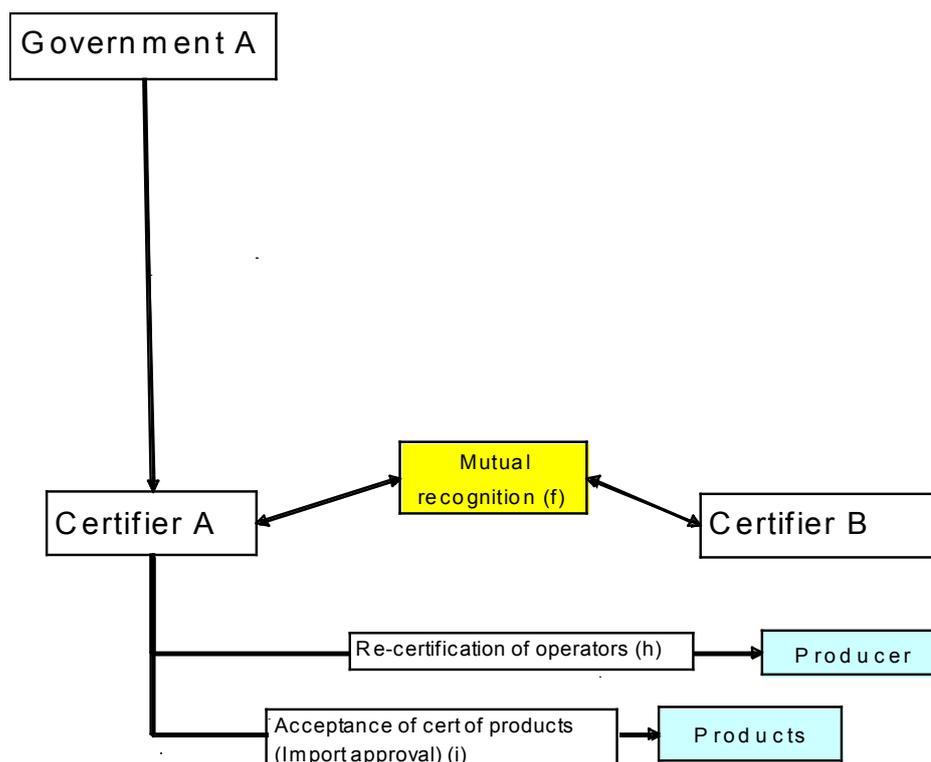
<sup>13</sup> Notably the ISO does not in any way conclude that accreditation is the only mechanism whereby certification bodies can gain trust in other certification bodies. The ISO Guide 68 describes many methods by which a certification body can be assured that another CB is competent and reliable. Peer assessment is described as the “direct method” (and as such also has an own ISO standard 17040) while accreditation is described as an “indirect method”. One is not superior to the other.

*How does this mechanism relate to the ITF criteria for solutions?*

The ITF has agreed<sup>14</sup> that solutions should be based on the following criteria:

<b>Criteria</b>	<b>Delegation of decision compared to status quo</b>
Benefit producers and consumers and the organic market as a whole	Improvement
Take into account of national sovereignty	Neutral. The CB is subject to approval by the national competent authorities, which would include in their approval procedures, that this is performed according to the set criteria
Access to markets with minimal bureaucracy	Improvement
Fair competition between operators	Improvement, as more products will get market access
Adequate and consistent consumer protection and trust	Neutral
Sensitivity to different biophysical, socio-economic environments	Neutral
Stakeholder support and involvement	Neutral
Taking account of market choice	Improvement
Transparency of operation and decision-making	Neutral, or improvement (see “Ways around the limitations”)

<sup>14</sup> See the ITF paper Strategy on Solutions for Harmonizing International Regulation of Organic Agriculture, April 2005.



### 3.4 Delegate Import Approvals to Certification Bodies

Certification bodies are experts in conformity assessment. There are many ways certification bodies can assess whether a product fulfils a certain standard. As noted above, in some ways this is already taking place, but the rules for it are not very clear, and less advanced certification bodies may not understand how they can do it. The two main levels are acceptance based on document review and acceptance based on acceptance of the certification body's competence. It can also be focussed on the product or on the operator. For certification theorists this makes a big difference, but in practice the difference is not so significant.

Delegation of import approval to certification bodies means in practice that a certification body in country A is authorised/mandated by the government A to judge whether an imported product fulfils the requirements as spelt out in the regulation. It is normally an importer that asks the certification body to confirm this. The system is similar to the current system under article 11.6 in the EU, but with the main difference that it is the certification body and not a competent authority that determines whether a product is equivalent. It is interesting to note that even where a regulation was supposed to apply for single lots of products, the actual implementation of the EU Regulation expanded this to be approval for all organic supplies by one operator under a certain certification, which again illustrates the distinction between re-certification of products and re-certification of operators as expressed, e.g. in the IFOAM Criteria, is more a theoretical construct than reality.

Of particular interest is that under the NOP certification bodies *are obliged* to accept each others' certification, no further questions asked. This is also, more or less, the reality in the European Union<sup>15</sup>. However, the same governments *do not allow* certification bodies to accept certifications from outside their system, regardless of which cooperation or level of controls there are.

Note that this option can apply equally when imports are based on equivalence or compliance.

*Under which conditions can this apply*

The IFOAM Accreditation Criteria (IAC) have very elaborated conditions for how acceptance of other products can take place (chapter 9). IROCB has more general conditions for this:

Where steps in the production chain have been certified by other certification bodies the certification body may accept prior certification according to defined procedures and according to applicable laws.

Procedures shall establish additional measures to evaluate whether prior certification can be accepted. It may be granted when equivalent certification procedures have been applied. (IROCB, draft 3)

The main basis is that there is an agreement with the other certification bodies and that there is a mechanism to supervise the other body. Preferably this takes place within the framework of a mutual recognition agreement.

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<sup>15</sup>. In the proposal for new EU regulation there was even an obligation for private CBs to accept any other certified product also for their own private standard and not only on the regulatory level. However this proposal was dropped in the final version (after substantial protests against it).

## Assessing approval of imports against ITF criteria

<b>ITF Criteria</b>	<b>Approval of imports by CBs compared to status quo</b>
Benefit to producers and consumers and the organic market as a whole	Improvement
Take national sovereignty into account	Neutral. The approving CB is subject to approval by the national competent authorities, which would include in their approval procedures, that this is performed according to the set criteria
Access to markets with minimal bureaucracy	Improvement
Fair competition between operators	Improvement, as more products will get market access
Adequate and consistent consumer protection and trust	Neutral
Sensitivity to different biophysical and socio-economic environments	Improvement, at least if approval is based on equivalence
Stakeholder support and involvement	Neutral
Taking account of market choice	Improvement
Transparency of operation and decision-making	Neutral, or improvement (see “Ways around the limitations”)

### 3.5 Examples of Relevance for Proposal

The rather special conditions under which organic certification operates (see introduction) means there are few examples from other sectors to build upon.

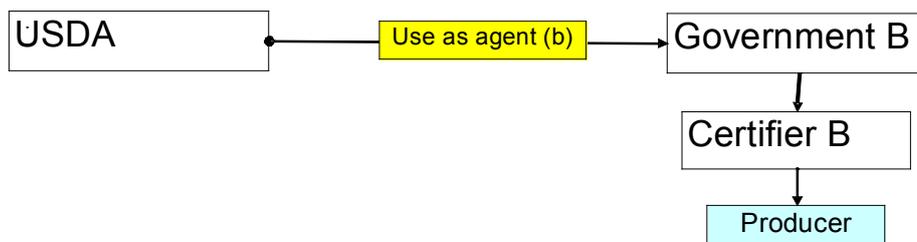
### 3.6 Delegation of Authority Between CABs

#### 3.6.1 National Organic Program, United States

The NOP allows the USDA to delegate its accreditation to another governmental agency according to the § 205.500 c)

“In lieu of accreditation under paragraph (a) of this section, USDA will accept a foreign certifying agent’s accreditation to certify organic production or handling operations if: (1) USDA determines, upon the request of a foreign government, that the standards under which the foreign government authority accredited the foreign certifying agent meet the requirements of this part;”<sup>16</sup>

This is a clear example of how a conformity assessment body has accepted another conformity assessment body’s decision as its own, and it constitutes a delegation of decision. This is not in conformity with the ISO 17011, art 4.7. USDA’s double role as an accreditor and authority perhaps plays a role here.



#### 3.6.2 The ASHA–CASLPA MRA on Audiology

As outlined in Ong (2006), the ASHA–CASLPA MRA provides for individual certified by the American Speech-Language-Hearing Association (ASHA) or the Canadian Association of Speech-Language Pathologists and Audiologists (CAPSLA) to obtain certification by the other based on equivalence without further tests. This is an example of de facto delegation of decision.

#### 3.6.3 Delegation of certification from the Coast Guard of the United States to Det Norske Veritas

Article 3 of the Agreement governing the delegation of certain survey and certification services for United States of America flagged vessels between the United States Coast Guard and det Norske Veritas states that:

“Delegated functions performed by, and certificates issued by, Det Norske Veritas will

<sup>16</sup>The rest of the paragraph is about equivalence

be accepted as functions performed or certificates issued by the Coast Guard, provided that Det Norske Veritas remains in compliance with all provisions of this Agreement.”

The Coast Guard is obviously not a regular certification body. On the other hand the issue at hand concerns critical aspects of human safety and security interest of the nation. If those can be delegated to another certification body something less dramatic such as certification of organic market claims should be possible to delegate.

### **3.7 Acceptance of Other Certifications**

#### **3.7.1 CENELEC**

Within the European Committee for Electrotechnical Standardization (CENELEC) there are many different agreements of which some, for example two known as HAR and LOVAG, are based on MRAs where the partners accept each other's certificates. The agreements are in the field of Low Voltage electrical equipment, which is subject to regulations. They appear to be on the border of constituting delegation of authority.

#### **3.7.2 IECEx**

The objective of the International Electrotechnical Commission Scheme for Certification to Standards Relating to Equipment for use in Explosive Atmospheres (IECEx Scheme) is to facilitate international trade in equipment and services for use in explosive atmospheres, while maintaining the required level of safety. The IECEx Certified Equipment Programme provides both:

- a) A single International Certificate of Conformity that requires manufacturers to successfully complete; or
- b) A “fast-track” process for countries where regulations still require the issuing of national Ex Certificates or approval. This is achieved by way of global acceptance of IECEx equipment Test and Assessment Reports. In this example regulators have accepted the IECEx certification in some cases and in other cases national CBs are allowed to issue own certificates, based on partners' work, giving the products the same recognition as a domestic product.

#### **3.7.3 IECEE CB scheme**

The Worldwide System for Conformity Testing and Certification of Electrotechnical Equipment and Components (IECEE) CB scheme covers 19 product categories ranging from IT and electronic equipment, household appliances to medical equipment. It features reciprocal recognition of test results among all participating Certification Bodies, to simplify granting of certification or approval at national levels. A manufacturer gets the products tested and certified in its own country. For approval in other countries, the manufacturer simply submits the certificate to a laboratory in the second country. This laboratory issues its certification mark without further testing (Barta 2006).

## **3.8 Ways Around the Limitations**

There are numerous ways around the current norms and regulations, some of them only relevant for the private sector, while others are also relevant in the regulated scenario.

### **3.8.1 De-couple certification from mark use**

In the private sector, what operators are really interested in is not the certificate, but the use of a mark. The solution here is to de-couple the act of certification from the use of the mark. This can be done in several ways. One is for many CBs to together create a common mark, which can be used by anybody certified by them (one such example is the IQNet (Ong 2006)). Another example is the recent move by the KRAV in Sweden to let any certification body (under some specified conditions) certify to the KRAV standards and then license the mark to the operators. In this way KRAV is no longer a certification body (but a standard-setter and a licensor of a mark) and is, therefore, not bound by ISO or IFOAM norms. The recently established East African Organic Mark is another example of the mark being de-coupled from the ownership of certification.

### **3.8.2 Delegation of decision**

A certification body may assign a person or a committee in another certification body to take certification decisions for them. In order to follow the ISO 65 (and the IFOAM norms), such arrangements should not be seen as “sub-contracting”, which is not permitted. This is practiced today in several cases.

The second option is just to “rubber-stamp” reports from other certification bodies, thereby seemingly fulfil the requirements of the norms. This appears to be a rather wide-spread practise, but as the practise is not in conformity with the regulations it is hard to judge how common it is and no CB would volunteer to describe how they implement this practise.

### **3.8.3 Approval of imports**

The difference between allowing a domestic CB to approve imports or to let it accept products based on documentation is not very large. One could say that it is already happening today. CBs approved under one jurisdiction are accepting imported products by transferring the certification to their own certification from that of the other CB. As long as they seemingly do this on the basis of document review it is de facto accepted in the current systems in United States and the European Union. However, the operation of this is not very transparent and there could be big cost savings if it was made clear how this can be done and under which conditions.

That there are various ways to get around limitations posed by (unjustified) standards is not an argument to maintain those standards. It encourages non-transparent procedures, sometime outright breaches of regulations and costly and redundant procedures, i.e. violating several of the ITF criteria.

## 3.9 Disadvantages

### 3.9.1 Delegation of certification decision

The basis for restricting the right to delegate a decision is not stated, and it is, therefore, hard to understand what needs to be addressed. One reason could be based on a fear that certification bodies might enter into this arrangement too lightly. The reason for doing that is that they want to satisfy their clients, e.g. an importer that wants its sources approved, or that they want to increase their “market share”. However those concerns are applicable to all the normal work conducted by a certification body – the easier certification is given, the happier the clients will be, and more products can reach the market. The more common complaint (also in the ITF) is that it is far too difficult – and costly – to get the approval of certain CBs.

### 3.9.2 Approval of imports

There are some arguments against letting CB approval be used as a mechanism for import approvals, primarily because there might be concern that a dominating CB in a country would abuse its “power”. This could happen in three ways:

- refusing approval in order to protect its own producers. This is most likely to be the case for “national” certification bodies with little international engagement and strong links to the operators;
- using information gained in the process to snatch clients from other CBs. This is most likely to be an issue for the CBs with a lot of international work;
- getting insight into the work methods of other CBs, thereby possibly “picking” up their methodologies, forms and procedures. Alternatively, using the information collected for undermining the credibility of the other CB (“we have seen their work and it wasn’t impressive...”)

The first point is also applicable for import approval by governments, as it might be in the interests of a government to protect its own producers<sup>16</sup>. The second point has some relevance, but it should be noted that the ISO 65 requires CBs to have a public list of all those certified<sup>17</sup> and, therefore, the “snatching of clients” can take place in any case. Seeing it more positively the operators benefit from competition between CBs and an increased offer of certification services. The third point is probably quite relevant and would mean that this solution would be limited to certification bodies that have a good level of cooperation.

It is hard to assess how big these risks really are, or whether they are rather based more on perception than on facts. Even if the risks are real, they constitute no strong reasons against the proposed uses of CBs for import approvals as long as these uses are not the only avenues for import approvals. If there are other better options, a foreign CB or an operator that is concerned about any of these issues would choose those options. Having more ways a product can achieve acceptance will not be a disadvantage compared to the status quo.

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<sup>16</sup> Such an application violates the TBT agreement.

<sup>17</sup> A rule that is frequently abused and apparently not enforced by the accreditation agencies

## 4. Conclusion

The ITF seeks to facilitate international market access of organic products. It has recognized that active cooperation between government and private sector is important. It has developed criteria for judging proposed solutions. This paper proposed two mechanisms, *in addition to other mechanisms* already identified by the ITF.

- right of certification bodies to delegate certification decisions;
- giving certification bodies the right to approve imports under import regulation regimes.

The first mechanism would require a change in norms ruling organic certification. In the ITF perspective this would primarily be the IROCB<sup>19</sup>, but preferably the IFOAM Accreditation Criteria and the ISO 65 would also be included. In addition, some import regulations might have to be amended to allow for this practise, but others would not. Guidance for this exists in ISO Guide 68.

The exact regulatory implications of adopting the second mechanism depends on the regulatory framework of each country. In some cases it might be sufficient that a guidance note by the competent authority is issued stating that this is an accepted practise, in other cases some additional implementing ordinances might be required and in a few cases perhaps even the enabling act (law) would have to be modified.

The two mechanisms can contribute to the goals of the ITF and fulfil the criteria set by the ITF to assess solutions proposed. They are complementary to other mechanisms, such as equivalency agreements between countries and direct approval of certification bodies, particularly relevant for small trading volumes where the investment in the other mechanisms are too high compared to the value of traded goods. A clear acceptance of them will stimulate an intensified cooperation between certification bodies, something that is much needed. The impact of it will extend beyond regulated markets into the area of private marks where it gives certification bodies increased incentives to cooperate. It also has the potential to substantially reduce costs for operators that are currently faced with multiple certification (exporters) or costly re-certification procedures (importers). The disadvantages are small and manageable.

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<sup>19</sup>. As this norm is suggested to reflect global consensus.

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# Overview of Group Certification

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## 1 History, Objectives and Prevalence of Group Certification

Smallholder grower groups have been certified since the mid 1980, which is even before public regulations on organic agriculture were developed. Private certification bodies developed group certification systems in order to facilitate the certification of smallholder farmers in developing countries.

Since 1994 the International Federation of Organic Agriculture Movements (IFOAM) has promulgated guidelines and accreditation criteria for group certification to bring consistency to the requirements by which certification bodies review smallholder groups seeking organic certification. Under the auspices of IFOAM and with representatives of the fair trade sector, workshops were organized in February 2001, 2002 and 2003 on the topic of smallholder group certification. The consensus positions from these workshops have been used to revise IFOAM guidance and criteria and to develop a training kit for group certification. The guidance and criteria provided by IFOAM has been adopted by certification bodies and incorporated into government guidance documents. The criteria for certifying, auditing and inspecting group certification follows established international standards, such as ISO/IEC Guide 62: Annex 3 and ISO/IEC Guide 17021. The IFOAM accreditation criteria does not limit group certification to grower groups only in developing countries.

In 2001 there were about 350 different grower groups existing in developing countries, comprising close to 150,000 smallholders whose organic products are exported. Recent statistics are not available but given the expansion of market demand for organic products such as coffee and tea, and ingredients such as cocoa, sugar and spices, one can assume that these numbers have increased. In a recent survey of certification bodies undertaken by IFOAM, 67% of certified organic grower groups had less than 100 members; 18% under 500 members; and 0.5% from 3000 to 15 000 members.

Group certification systems were initially developed to address the different socio-economic-cultural conditions in which farming takes place around the world. It was in response to the need to devise a system of certification that reduced costs for small farmers with a low income. Group certification is now evolving towards a system of combined internal and external controls applicable to all types of groups and a model for all organic certification. Benefits of the system include improving product quality, technical advice and information exchange, and stimulation of local development. Such systems enable all producers to participate in the global organic market, implement environmentally safe and sustainable production, and develop good management practices.

## 2 Acceptance of Group Certification by Governments

Although there is a proliferation of government regulated organic standards around the world, only the organic regulations in Argentina do not permit certification of grower groups. Other

national organic standards do not specifically address the topic of group certification. At the request of certification bodies, producers or non-governmental organizations, the United States, European Union and Japan have issued statements or guidance documents on this topic.

The requirements for a Production Process Manager (PPM), a category for JAS organic certification under the Japanese organic regulation, is reportedly set with a group organization in mind (The Organic Standard, May 2002.) The Japanese Ministry of Agriculture (MAFF) has informed certification bodies that group certification is allowed for organic grower groups according to JAS.

The European Union (EU) Commission approved its Guidance Document for the Evaluation of the Equivalence of Organic Producer Group Certification Schemes Applied in Developing Countries in 2003. The objectives stated in this document are “to overcome the economic difficulties in relation to the inspection of small operators in developing countries (as defined by OECD).” The document recognizes that external inspection bodies verify and evaluate the effectiveness of an internal control system and certify the group as a whole. The guidance allows for a substantial part of the inspection work to be carried out by internal inspectors in the framework of the internal control system set up by the group.

The United States National Organic Standards Board (NOSB) approved a recommendation (20 October 2002) on Criteria for Certification of Grower Groups. In this document it is noted that Section 205.2 of the US National Organic Program (NOP) Final Rule defines “person” as “an individual, partnership, corporation, association, cooperative, or other entity”. As the rule indicates that it is a “person” who seeks certification it was concluded that grower groups, organized as cooperatives, associations or other legal entities can seek certification as one operation under the NOP without a change to the Final Rule. The NOSB recommendation includes conditions for group certification and recognizes the role of internal control systems in assuring compliance to the organic standard under the annual inspection and evaluation by the certifying agent.

A denial of certification to a grower group in Mexico for specific technical non-compliances and the subsequent appeal led to the US Department of Agriculture (USDA) making a ruling in October 2006 that had a significant effect on grower group certification. The ruling re-affirmed the requirements of Section 205.403 of the NOP Rule for on-site inspections of each production unit, facility and site that produces or handles organic products and that is included in an operation for which certification is requested. The potential disruption of trade and loss of USDA NOP certification for grower groups worldwide was postponed by a NOP statement, issued in May 2007, that the 2002 NOSB recommendation on grower group certification must be used as interim guidance until such time that the new or additional guidance is issued and/or amendments to the NOP regulations are decided.

Recently the NOSB Compliance, Accreditation and Certification Committee approved a new recommendation on “Certification of Operations with Multiple Production Units, Facilities

and Sites” that will be discussed at the 27-29 November 2007 NOSB meeting. The recommendation has been posted for public comment until 12 November 2007. The committee’s recommendation shifts the focus from grower or smallholder groups to a broader concept of group that includes production, handling and retail operations. The recommendation states “The use of an internal control system as part of an organic system plan that integrates multiple sites and production units is consistent with the OFPA and, provided additional assurances are met, may reduce or eliminate the need for direct observation by inspection of each unit or site operated under that organic system plan.” The recommendation acknowledges that more specific guidance to certifying agents is still necessary and should be written to amend 2002 NOSB Criteria for Certification of Grower Groups.

Even if the NOSB approves the committee recommendation at its November 2007 meeting, it is unlikely that new NOP guidance or regulations regarding grower group certification will be completed or implemented until the end of 2008.

### **3 Major Guidelines and Governing Norms**

A review of the guidelines available on certification of grower groups – IFOAM, NOSB, and European Union – shows there is significant agreement and similarities in these documents on the scope, principles and criteria for group certification.

The scope of these documents is to address group certification of operations with similar production systems and centralized marketing, and organized as a single legal business entity with a internal quality system that assures compliance of each farm plot within the group to organic standards in an objective and transparent manner.

The principle, consistent in these guidance documents, upon which group certification is based is a managed and documented internal quality assurance system responsible for all production units, facilities, and sites in the group. It is the group’s quality assurance system that is verified at least annually by the certification body through audits and on-site inspections. Individual inspections of farm plots are conducted primarily to validate the functioning of the quality system.

The common criteria within these documents include:

- Certification is of the group as a whole, individual group members may not use the certification independently. There is a single organic system plan for the group.
- Similar production methods and inputs are used on all farm plots in the group.
- Farm plots or production units within the group must be in geographic proximity.
- Members of the group receive training about the requirements on the organic standards to which they are certified and the group’s organic system plan.
- Marketing of the products must be carried out through centralized processing, distribution and marketing facilities and systems.

- Large farming units, processing units and traders may be part of the group but must be inspected annually by the certification body inspector.

The responsibilities of the central management of the group include:

- Establish decision procedures.
- Establish written contractual agreement with its members to comply with the organic standards and permit inspections by production managers or field agents and certification inspectors.
- Manage mechanisms to sanction and/or remove non-compliant group members and procedures to accept new members.
- Provide rules to avoid or limit potential conflicts of interest of production managers and field agents.

The role of the certification body is to evaluate the effectiveness of the internal control system (quality system) in enforcing compliance with organic standards on the farm plots of the group. The guidance documents, to a greater or lesser extent, provide specific protocols for the effective implementation of on-site inspections of a certified group operation. These protocols include a thorough audit of the quality system through document review, interviews with managers, producers, and field agents responsible for various aspects of the organic system plan, and at least an annual on-site inspection of the offices, facilities, production units and a sampling of the farm plots in the group. The sampling size of farm plots in the group for on-site inspection is based on ISO Guide 62 plus an assessment of critical control points and risks, such as size of the group, size and number of farm plots in the group or number of production units in the group, degree of similarity of the production systems and the crops, sources of contamination and commingling, nature of problems or minor non-compliance in previous years, number of years functioning as a group. The certification body is expected to use inspectors that have had specific training or can document competency for inspection of quality systems.

There is complete agreement within the organic community and regulatory sector that the group as a whole is responsible for the compliance of its members and for effectiveness of its quality system. And, that the certification body has the responsibility to sanction the group if the group and/or its members are found to be non-compliant to organic standards and certification requirements. In addition, regulators have the responsibility to sanction the certification bodies if the certification body fails to determine if the quality systems are effective and the group is in compliance with organic standards.

## **4 Observations**

The approach to group certification has been viewed as an exemption or special allowance to organic certification requirements. But a group of producers may constitute a single certified entity that is analogous to a large, complex farming or handling operation. Parallels can

be drawn between the individual farms in a group and the multiple fields or extensive land under production on a single operator farm. Farm managers on large holdings serve the same function as production unit managers or field agents (internal inspectors) for a group. Both are responsible for ensuring that production practices comply with the farm's organic system plan. Inspectors sent by certification bodies do not walk every field or each hectare of a large farm. Inspectors audit and review field maps, production records, and talk to farm managers and farm workers as well as physically inspect a sufficient number of fields to evaluate the operation's compliance to organic regulations. In processing facilities inspectors do not look at every production record, nor can they observe on a daily basis the procedures followed during a production run. Random sampling of production records, audit tracking systems, critical control points and management systems are used to verify compliance. In addition, when accrediting bodies inspect and audit certification bodies they do not read every file for every certified operation nor do they conduct site visits to every operation certified by the certification body.

Using this perspective the concerns of group certification can be narrowed down to a lack of consistent procedures for certification bodies and for group quality systems regarding determination of the extent, if any, of non-compliances in the group and appropriate actions to correct or sanction non-compliances of the group or members within a group. A survey should be commissioned by the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF) to compile information and provide an analysis on the current protocols for non-compliances and sanctions within group certification systems. For example, if one farm plot during a certification body's inspection of a sampling of plots is found to be non-compliant, what are the steps taken to determine if the non-compliance is isolated or more extensive. The survey results will provide useful information to organic programme regulators, accreditation bodies and certification bodies. If it is within the scope of the ITF interests, discussion should be taken up within the ITF in order to develop a consensus opinion that could be adopted by government and non-government bodies.



# **International Requirements for Organic Certification Bodies (IROCB)**

**IROCB 4th draft  
(October 22, 07)**

**For discussion and approval at the ITF seventh meeting,  
27-29 November, 2007 Bali, Indonesia**

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# 1 Introduction

## 1.1 Foreword

The International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF), convened by FAO, IFOAM, UNCTAD, serves as an open-ended platform for dialogue between private and public institutions involved in trade and regulatory activities in the organic agriculture sector. The overall objective of the ITF is to facilitate trade of organic products as a response to difficulties faced by organic producers and exporters due to the hundreds of different organic regulations, standards and labels worldwide. Similarly, requirements for organic certification bodies to conduct third party conformity assessment also vary. This causes difficulties for certification bodies to recognize and accept organic products certified by another system/programme and finally for organic producers to get organic certified products accepted in different markets.

The ITF in this document specifies the international requirements for organic certification bodies (IROCB) that facilitate the recognition of certification bodies' services in the course of international trade. IROCB is intended to represent an international consensus on good practice in organic conformity assessment between private and public institutions, and hereby facilitate the mutual recognition of conformity assessment results in the organic sector.

The requirements are considered to be a baseline for assessing the equivalence of service performed by a certification body outside a certain organic system. It is understood to be a tool for governments and accreditation/approval bodies to use when investigating each other's requirements for equivalency in order to allow certified products enter the system. It could also serve as a tool for certification bodies to recognize services provided by another certification body, and finally it could serve as a basis for developing requirements for accreditation.

Application of these requirements is intended to ensure that certification bodies operate third party certification of organic operators in a consistent and reliable manner. If an evaluation reveals that a certification body is performing organic certification in line with these requirements it should be considered competent to conduct organic certification, and its service should be considered as equivalent to services provided under any other organic system.

IROCB is based upon the requirements in ISO/IEC Guide 65: 1996 (E) "General requirements for bodies operating product certification systems". However, organic certification has certain features that are different from certification of products and services covered by ISO/IEC Guide 65. IROCB includes sector specific requirements; it includes reformulated and amended ISO paragraphs and has additional requirements to cover issues confronted by a certification body conducting organic certification. Additional or divergent requirements to ISO/IEC Guide 65 can also be found in regulatory systems such as the US Department of Agriculture National Organic Program (NOP), EU Regulation and the IFOAM accreditation system.

In general, existing regulations must be applied and laws respected. It also must be noted that certification body's authority is often restricted under regulatory systems compared to the requirements outlined in ISO/IEC Guide 65. Certification bodies are mandated to perform functions on behalf of authorities who reserve the right to take final decisions or control, e.g. complaints resolutions, withdrawal of certification and ownership of logo.

The document does not cover organic production standards. Differences in organic standards shall be observed and taken into account by other measures.

## **1.2 Definitions**

For the purpose of this document the definitions given in annex 1 (A1) apply.

## **1.3 Scope**

IROCB specify baseline requirements a certification body conducting organic certification shall meet if it is to be recognized as competent.

### **1.3.1 Evaluation methods**

Evaluation methods shall consist of document review, appraisal of quality management systems and on-site inspection visits. Sample analyses testing should serve as supporting tools to verify information.

Evaluation methods shall be applied systematically according to defined certification procedures. Procedures shall address initial and ongoing evaluation in order to assess whether a production process continues to meet the applicable organic standard.

### **1.3.2 Chain of custody**

The certification body shall assure that any product used in the course of its own certification is duly certified (section 2.1.4 applies to address the acceptance of prior certification)<sup>1</sup>.

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<sup>1</sup>: Such as products and raw material used by certified operators that are certified by another certification body.

## **2 General requirements**

### **2.1 Responsibility**

#### **2.1.1 Legal structure**

The structure of the certification body shall foster confidence in its certifications. In particular, the certification body shall:

- 2.1.1.1 have documents that demonstrate it is a legal entity;
- 2.1.1.2 have documented the rights, responsibilities and duties relevant to its certification activities;
- 2.1.1.3 identify the management (body, group or person) having the overall responsibility of the functioning of the certification body, including finances.

#### **2.1.2 Certification agreement**

The certification body shall have an agreement for the provision of certification activities to its operator in line with these requirements. In particular, the agreement shall

- 2.1.2.1 include a description of the rights and duties of applicants and operators offering certified products, including a commitment to comply with the relevant provisions of the certification programme;
- 2.1.2.2 specify requirements, restrictions or limitations on the use of the designated certification logo and on the ways of referring to the certification granted to prevent misleading use or claims;
- 2.1.2.3 have provisions to allow the certification body exchange information with other certification bodies and authorities (approval bodies, accreditation bodies) to verify information especially the certification status of certified products as part of its ongoing evaluation.

#### **2.1.3 Responsibility for certification decisions**

The certification body shall keep final responsibility for granting, maintaining, extending, suspending and withdrawing certification, and shall not delegate such decisions.

#### **2.1.4 Acceptance of prior certification**

Where products in the production chain have been certified by other certification bodies the certification body may accept prior certification according to defined procedures.<sup>2</sup> Acceptance may be granted when equivalent certification procedures have been applied.

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<sup>2</sup> There could be varying acceptance situations to be covered by appropriate acceptance procedures e.g.

- acceptance of certificates issued by another certification body under the same certification program and authority;
- acceptance of certificates issued by another certification body working under a different certification programme and authority;
- certification bodies collaborating based on a defined agreement .

## **2.2 Personnel Resources**

The certification body shall employ sufficient personnel competent at performing certification functions and operating its system. In particular, it shall

- have processes to ensure that personnel have knowledge relevant to the scope of certification issued (farming operations, processing facilities, geographic areas, group certification);
- employ a sufficient number of personnel relating to the type, range and volume of work performed including consideration of geographic areas in which it operates.

The certification body shall maintain up to date records on personnel resources.

### **2.2.1 Qualification criteria and documentation**

2.2.1.1 The certification body shall define minimum criteria for the competence of personnel to ensure that evaluation and certification is carried out effectively and uniformly. Criteria should include minimum education, training, technical knowledge and work experience relevant to the scope of certification issued.

2.2.1.2 The certification body shall maintain up to date documents describing duties and responsibilities of assigned personnel.

### **2.2.2 Continuous training**

The certification body shall train personnel involved in certification (inspectors and other certification personnel including members of technical committees) to ensure that personnel have, and continue to have, technical knowledge and experience for performing functions in organic certification. In particular, the certification body shall

2.2.2.1 provide training targeted to the specific function the personnel is performing, e.g. inspection: farm inspection, inspection of processing facilities; review of application; evaluation, etc.;

2.2.2.2 review the competence of its personnel in light of their performance in order to identify training needs;

2.2.2.3 ensure that new personnel have sufficient competence.<sup>3</sup>

### **2.2.3 Assignment of personnel**

The certification body shall require personnel, including committee members, involved in the certification process:

2.2.3.1 to commit themselves to policies and procedures of the certification body;

2.2.3.2 to declare any prior or present association on their own or on the part of their employer, with an operator subject to the certification of which they are to be assigned to perform certification procedures.

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<sup>3</sup>. For example new personnel complete a training course in conducting organic inspection and evaluation and/or undergo a defined on-site apprenticeship period.

## **2.2.4 Assignment of committees**

The certification body shall have formal rules and structures for the appointment and operation of any committees that are involved in the certification process reflecting requirements of 2.2.1 and 2.2.2.

## **2.2.5 Subcontracting (outsourcing)**

When a certification body decides to subcontract work (outsourcing) related to certification, e.g. inspections, to an external body or person, an agreement covering the arrangements, including confidentiality and conflict of interest, shall be drawn up. The certification body shall:

- 2.2.5.1 take full responsibility for such subcontracted work and maintain its responsibility for granting, maintaining, renewing, extending, suspending or withdrawing certification;
- 2.2.5.2 ensure that the subcontracted body or person:
  - is competent to perform the subcontracted work;
  - is not involved, either directly or through the person's employer, with the operation, process or product subject to certification in such a way that impartiality would be compromised;
  - is committed to the policies and procedures as defined by the certification body.
- 2.2.5.3 monitor the performance of persons or bodies providing subcontracted work.

## **2.3 Impartiality and Objectivity**

### **2.3.1 Organizational structure and stakeholder involvement**

The certification body shall be impartial; it shall not be financially dependent on single operations subject to their certification such that impartiality is compromised.

The certification body specifically shall have a documented structure:

- 2.3.1.1 which safeguards impartiality including provisions to ensure the impartiality of the operations of the certification body;
- 2.3.1.2 providing for participation of parties concerned in a way that balances interests and prevents commercial or other interests from unduly influencing decisions.<sup>4</sup>

### **2.3.2 Management of impartiality**

The certification body shall identify, analyse and document the possibilities for conflict of interests arising from its provisions of certification, including any conflicts arising from its relationships. Rules and procedures shall be established to prevent or minimize the threat. In particular, the certification body shall:

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<sup>4</sup> A committee representing key interests such as clients, other industry representatives, representatives of governmental services, or representatives of non governmental organizations including consumer organizations advocating the certification body management is deemed to fulfil the structural requirements.

2.3.2.1 require personnel to declare existing or prior association with an operation subject to certification. Where an association threatens impartiality, the certification body shall exclude the person concerned from work, discussion and decisions in all stages of the certification process related to the potential conflict of interest;

2.3.2.2 follow defined rules for appointing and operating committees involved in certification activities. Rules shall ensure that committees are free from any commercial, financial and other interest that might influence decisions.

### **2.3.3 Division of functions**

The certification body shall not provide any other products or services that could compromise the confidentiality, objectivity or impartiality of its certification process and decisions. In case the certification body also performs activities other than certification it shall apply additional measures to ensure that confidentiality, objectivity and impartiality of its certifications is not affected by these activities. In particular, the certification body shall not:

2.3.3.1 produce or supply products of the type it certifies;

2.3.3.2 give advice or provide consultancy services to the applicant/operator as to methods of dealing with matters that are barriers<sup>5</sup> to the certification requested<sup>6</sup>.

### **2.3.4 Accessibility**

The certification body shall make its services equally accessible to all applicants whose activities fall within its declared field of operation. It shall work according to non-discriminatory policies and procedures safeguarding that no undue financial, e.g. with regard to the fee structure, or other conditions<sup>7</sup> are applied.

## **2.4 Access to Information**

### **2.4.1 Publicly accessible information**

The certification body shall provide access to information in order to gain confidence in the integrity and credibility of certification.

The certification body shall provide (through publications, electronic media or other means), updates at regular intervals, and make available on request:

2.4.1.1 the standards to be met by operators in order to gain/maintain certification;

2.4.1.2 information about procedures applied in order to evaluate whether operators meet the standard applicable;

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<sup>5</sup> Barriers can be e.g. non-conformities identified in course of the certification process.

<sup>6</sup> Regarding the production method standard are not considered as advice or consultancy. General information or training may be given as long as this service is offered to all applicants/operators in a non-discriminatory manner.

<sup>7</sup> Access shall not be conditional upon e.g. the size of the supplier or membership of any association or group, or number of certificates already issued.

- 2.4.1.3 information about procedures to be applied in case certification is extended;
- 2.4.1.4 information about procedures and sanctions to be applied in case non-conformities with standards are detected;
- 2.4.1.5 the fee structure for its services;
- 2.4.1.6 a description of the rights and duties of operators, including requirements, restrictions and limitations on the use of the certification logo and on ways of referring to the certification granted;
- 2.4.1.7 information about procedures for handling general complaints and appeals against its certification decisions.
- 2.4.1.8 a list of certified operations and the scope of their certification.

## **2.4.2 Confidentiality**

In order to gain privileged access to information the certification body shall have adequate arrangements to safeguard confidentiality of the information obtained in the course of its certification activities at all levels of its organization, including committees and external bodies or individuals acting on its behalf. Arrangements shall:

- 2.4.2.1 protect proprietary information of a client against misuse and unauthorized disclosure;
- 2.4.2.2 grant the certification body the right to exchange information with other certification bodies and/or authorities to verify information.

## **2.4.3 Reference to certification and use of certification logo (mark)**

- 2.4.3.1 The certification body shall exercise control over ownership, use and display of licences, certificates and logo it authorizes certified operators to use.
- 2.4.3.2 The certification body shall be able to request an operator to discontinue use of certificate and logo.
- 2.4.3.3 The certification body shall apply suitable actions to deal with incorrect references to the certification system or misleading use of licences, certificates or logo by operators and/or third parties.

## **2.5 Quality Management System (QMS)**

### **2.5.1 General**

- 2.5.1.1 The certification body shall define, document and implement a quality management system in accordance with the relevant elements of these requirements to give confidence in its ability to perform organic certification. The quality management system shall be effective and appropriate for the type, range and volume of work performed.
- 2.5.1.2 The management shall ensure that the quality management system is understood, implemented and maintained at all levels of the organization.

## **2.5.2 Management system manual**

- 2.5.2.1 The certification body shall address and document all applicable requirements either in a manual or in associated documents in order to ensure uniform and consistent application.
- 2.5.2.2 The certification body shall ensure that the manual and relevant associated documents are accessible to all relevant personnel.
- 2.5.2.3 Depending on type, range and volume of work performed and considering number of personnel involved in the process, the manual and associated documents shall refer to:
- an organizational chart showing line of authority, responsibility and allocation of function;
  - a description of procedures applied by the certification body in course of performing certification (granting, maintaining, renewing, extending, suspending and withdrawing of certification);
  - procedures for the recruitment selection, training and assignment of certification body personnel (as outlined under 2.2.);
  - policy and procedures dealing with appeals against certification decisions and other complaints;
  - policy and procedure addressing quality review, e.g. internal audits, management review.

## **2.5.3 Control of documents**

The certification body shall establish and maintain procedures to control its documents that relate to its certification functions. In particular the certification body:

- 2.5.3.1 shall, through authorized and competent personnel, review and approve documents for adequacy prior to their original issue or any subsequent amendment;
- 2.5.3.2 maintain a list of all appropriate documents with the respective issue and/or amendment status identified;
- 2.5.3.3 control the distribution of all such documents to ensure that the appropriate documentation is provided to personnel of the certification body or suppliers when they are required to perform any function relating to the certification body's activities, and to prevent the unintended use of obsolete documents.

## **2.5.4 Records system**

- 2.5.4.1 The certification body shall maintain a system of records<sup>8</sup> to demonstrate that the certification procedures have been effectively fulfilled, particularly with respect to application forms, evaluation reports, any re-evaluation activities and other documents relating to granting, maintaining, renewing, extending, suspending or withdrawing certification.
- 2.5.4.2 The records shall be identified, managed and disposed of in such a way as to ensure the integrity of the process and the confidentiality of the information.

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<sup>8</sup> Records may be either electronic or paper documents.

2.5.4.3 Operator records shall be up to date and contain all relevant information, including inspection reports and certification history.

2.5.4.4 Records shall be kept for [exceptions granted], appeals and subsequent actions.

2.5.4.5 Records shall be kept for a period of time so that continued confidence may be demonstrated for at least five years or as required by law.

### **2.5.5 Quality review**

The certification body shall demonstrate that it seeks and achieves continuous quality improvement. It shall perform management reviews and internal audits according to the type, range and volume of certification performed.

2.5.5.1 In particular it shall periodically review all procedures in a planned and systematic manner, to verify that the quality system and its procedures are implemented and effective. Performance reviews conducted periodically<sup>9</sup> shall be part of the review.

2.5.5.2 Review intervals shall be sufficiently short to ensure that the objective of quality improvement is fulfilled. Records of quality reviews shall be maintained.

### **2.5.6 Appeals and complaints**

The certification body shall have policies and procedures for the resolution of complaints and appeals received from operators or other parties about the handling of certification or any other related matters. In particular the certification body shall:

2.5.6.1 take appropriate subsequent action to resolve complaints and appeals;

2.5.6.2 keep a record of all appeals and complaints and remedial actions relative to certification;

2.5.6.3 document the action taken and its effect.

## **3 Process Requirements to Conduct Organic Certification**

### **3.1 Application Procedures**

#### **3.1.1 Information for operators**

The certification body shall provide operators with an up to date description of the procedures to be applied. The certification body shall inform operators about:

3.1.1.1 contractual conditions including fees and possible contractual penalties;

3.1.1.2 operator's rights and duties including the appeals procedures;

3.1.1.3 the applicable standards;

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<sup>9</sup> It is industry practice to annually conduct performance reviews of personnel responsible for evaluation and inspection and certification.

- 3.1.1.4 the applicable evaluation and inspection procedures applied by the certification body in the course of certification;
- 3.1.1.5 documentation to be maintained by the operator to enable verification of compliance with applicable standards by the certification body.

### **3.1.2 Application form and operator obligations**

The certification body shall require completion of an official application form, signed by a duly authorized representative of the operator. To enable evaluation and assignment of qualified personnel, the certification body shall require operators to:

- 3.1.2.1. agree to comply with the requirements for certification (certification requirements and procedures and standards applicable);
- 3.1.2.2. provide information about the scope of the desired certification, including a description as specified by the certification body of the production, products and area to be certified;
- 3.1.2.3. provide, to both the certification body and responsible authorities, the right of access to all appropriate facilities including non-organic production in the unit or related units and all relevant documentation and records, including financial records;
- 3.1.2.4. provide information about denial of certification by another certification body.

## **3.2 Evaluation**

The certification body shall evaluate operators against all certification requirements specified. The evaluation consists of a review of documents and an on-site inspection visit.

When the scope of certification is for labeling of conversion to organic, verification of compliance with these requirements shall take place during the conversion period.

### **3.2.1 Review of application and preparation of inspection**

- 3.2.1.1 Prior to the inspection, the certification body shall review the application documents to ensure that certification can be carried out and application of certification procedures is possible. The certification body in particular shall review whether:
  - documents submitted by the operator are complete and significant ;
  - the operator appears to be able to comply with all certification requirements (applicable procedures and standards);
  - the scope of the certification sought is within scope of certification services provided<sup>10</sup>.
- 3.2.1.2 The certification body shall assign qualified personnel to the evaluation in line with requirements of 2.2. and 2.3 of this document, and provide them with appropriate work documents.

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<sup>10</sup>. A new scope could also be a new geographical area the certification body is not yet active.

- 3.2.1.3 The certification body shall inform inspectors about any non-conformity and corrective actions issued previously to enable the inspector to verify whether they have been implemented.

### **3.2.2 Inspection protocol**

The inspection is carried out in order to verify information and compliance with certification requirements applicable to the operator. It shall follow a set protocol to facilitate nondiscriminatory and objective inspection.

The inspection protocol shall at least address the following:

- 3.2.2.1 assessment of production or processing system by means of visits to facilities, fields, and storage units (this may include visits to non-organic areas as well if there is reason for doing so);
- 3.2.2.2 review of records and accounts in order to verify flow of goods (production/sales reconciliation on farms, input/ output reconciliation and trace back audits in processing and handling facilities);
- 3.2.2.3 identification of areas of risks to organic integrity;
- 3.2.2.4 verification that changes to the standards and to requirements of the certification body have been effectively implemented;
- 3.2.2.5 verification that corrective actions have been fulfilled.

### **3.2.3 Particular requirements to address high risk situations**

The certification body shall apply additional measures to address higher risks found in certain situations specific to organic certification.

High risk situations and measures to deal with them can be:

- 3.2.3.1 Partial conversion and parallel production: in order to prevent commingling or contamination of organic products with other products not meeting the standards the certification body should verify whether documentation regarding production or processing, storage and sales is well managed and makes clear distinctions between certified and non-certified products. In case products are not visibly distinguishable measures during harvest and post harvest handling should be applied to reduce the risk.
- 3.2.3.2 Intensive production and high dependence of external inputs, short production cycles: depending on the risk identified the certification body may decide whether it is appropriate to increase the regular inspection frequency.
- 3.2.3.3 Operators certified by more than one certification bodies within the same organic scope: the certification body may seek information exchange with other certification bodies involved to prevent misuse of certificates.

### **3.2.4 Requirements for group certification systems**

- 3.2.4.1 If the certification body includes group certification based on an internal quality management system within its certification scope it shall apply a specific group certification programme.

3.2.4.2 The group certification programme shall specify the scope for group certification and requirements applicable to the group, including those for an internal quality management system to ensure the conformity of all group members to the applicable standards.

3.2.4.3 In order to address the particular situation of group certification the certification body shall apply additional measures to the regular on-site inspection protocol in order to assess the effective application of the internal quality management system:

- On-site inspection of a sample of group members to assess the effectiveness of the internal quality management system. Number of group members reviewed for standard conformity shall be determined according to defined procedures, taking into account the risks identified and the number of group members.
- Witness of personnel's performance in conducting internal review of the management system applied by the group.
- Assessment of whether each group member is subject to internal review in line with requirements on inspection frequency.
- Assessment of whether non-conformities have been dealt with appropriately by the internal quality management system.
- Assessment of whether inclusion of new group members follows documented procedures that have been approved by the certification body.

### **3.2.5 Requirements for certification of wild products**

### **3.2.6 Reporting**

The certification body shall report evaluation findings according to documented reporting procedures.

3.2.6.1 Inspection reports shall follow a format appropriate to the type of operation inspected and facilitate a non-discriminatory, objective and comprehensive analysis of the respective production system.

3.2.6.2 The inspection report shall cover all relevant aspects of the standards, adequately validate the information provided by the operator and shall include:

- a statement of any observations relating to the conformity with the certification requirements;
- date and duration of the inspection, persons interviewed, fields and facilities visited;
- type of documents reviewed.

3.2.6.3 The certification body shall promptly notify the operator of any non conformity to be resolved in order to comply with applicable certification requirements.

3.2.6.4 The certification body shall document and apply measures to verify effectiveness of remedial actions taken by operators to meet the requirements.

### **3.3 Decision on certification**

The certification body shall ensure that each decision on certification is taken by a person(s) or committee different from those who carried out the evaluation / inspection.

The decision shall be based solely on the conformity of the operation with the certification requirements specified, using information gathered during the evaluation process. Certification decisions shall be documented in a way that gives transparency to the basis for the decision.

#### **3.3.1 Dealing with non-conformities**

3.3.1.1 Certification decisions may include requirements for the correction of minor non-conformities within a specified time period. In case of major non-conformities, a certificate shall be withheld or suspended until implementation of corrective actions can be demonstrated. In serious cases certification shall be denied or withdrawn.

3.3.1.2 Reasons for denial, withdrawal or suspension of certification shall be stated with clear reference to the applicable standard or certification requirement violated.

#### **3.3.2 Exceptions on certification requirements**

3.3.2.1 The certification body shall have clear criteria and procedures for granting exceptions to requirements for certification.

3.3.2.2 Exceptions shall be limited in time and shall not be granted permanently.

3.3.2.3 The rationale for granting any exception shall be recorded in a way that provides transparency of the basis of the decision.

#### **3.3.3 Issuing of certification documents**

The certification body shall issue to each operator official certification documents. Documents shall permit identification of the following:

3.3.3.1 the name and address of the operator whose products are the subject of certification;

3.3.3.2 name and address of the certification body that issued the certification documents;

3.3.3.3 the scope of the certification granted, including:

- the products certified, which may be identified by type or range of products;
- production standard on which certification is based upon;
- the effective date and term of certification, if applicable.

### **3.4 Retention and renewal of certification**

The certification body shall re-evaluate operators in order to verify whether the operator continues to comply with the applicable standard. Mechanisms shall be in place for the effective monitoring of whether corrective actions are implemented.

The certification body shall report and document its re-evaluation activities and shall keep operators informed about their certification status. Re-evaluation generally follows procedures outlined in 3.2. Evaluation. In addition, the certification shall take into account inspection frequency, notification of changes made by the operator and changes in the certification requirements.

### **3.4.1 Inspection frequency**

The certification body shall decide the frequency for regular inspections.<sup>11</sup>

In addition to the regular inspection visit, the certification body shall conduct unannounced on-site inspections of certified operators, chosen randomly and/or chosen taking into account risk or threat to organic integrity of the production or products.

### **3.4.2 Notification of changes made by the operator**

3.4.2.1 The certification body shall require operators to inform the certification body about changes cited in 3.1.2, such as intended modification to the product, manufacturing process or, if relevant, its quality system, which affect the conformity of the product.

3.4.2.2 The certification body shall determine whether the announced changes require further investigations. If such is the case, the operator shall not be allowed to release certified products produced under the changed conditions until the certification body has notified the operator accordingly.

3.4.2.3 In response to an application for amendment to the scope of a certificate already granted, the certification body shall decide what, if any, evaluation procedure is appropriate in order to determine whether or not the amendment should be made and shall act accordingly.

### **3.4.3 Changes in the certification requirements**

The certification body shall ensure that each operator is notified of any changes in the certification requirements without unnecessary delay. It shall verify the operator's implementation of such change in a timely manner, considering the given implementation periods.

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<sup>11</sup>. Currently it is state of the art, that operators are inspected at least annually independent of any risk determination.

## Annex 1 Definitions

**Term:** Accreditation

**Definition:** Procedure by which an authoritative body or accreditor gives a formal recognition that a certification body is competent to carry out certification according to organic standards.

**Reference:** IAC

**Comment/applicable ISO definition:** ISO/IEC 17011/2004

Third-party attestation related to conformity assessment body conveying formal demonstration of its competence to carry out specific conformity assessment tasks. (Attestation: Issue of a statement based on a decision following review that fulfilment of specified requirements have been demonstrated).

**Term:** Appeal

**Definition:** Request by an operator for reconsideration of any adverse decisions made by the certification body related to its desired certification status.

*Explanatory note: Adverse decisions include e.g.*

- *refusal to accept an application;*
- *refusal to proceed with an inspection/audit;*
- *corrective action requests;*
- *changes in certification scope;*
- *decisions to deny, suspend or withdraw certification;*
- *any other action that impedes the attainment of certification.*

**Reference:** IAC

**Comment/applicable ISO definition:** ISO/IEC 17011/2004

Request by a CAB for reconsideration of any adverse decision made by the accreditation body related to its desired accreditation status.

**Term:** Certification

**Definition:** The procedure by which a third party (certification body) gives written assurance that a clearly identified process has been methodically assessed such that adequate confidence is provided that specified products conform to specified standards.

**Reference:** IAC

**Comment/applicable ISO definition:** ISO/IEC 17000/2004

Third party attestation related to products, processes, systems or persons.

**Term:** Certification body

**Definition:** The body that conducts organic certification.

**Reference:** IAC

**Comment/applicable ISO definition:** ISO/IEC 17011:2004

Conformity assessment body (CAB): body that performs conformity assessment services and that can be object of accreditation.

**Term:** Certification programme

**Definition:** System operated by a certification body with defined requirements and procedures and management for carrying out certification of conformity.

**Reference:** IAC

**Comment/applicable ISO definition:**

**Term:** Complaint

**Definition:** Expression of dissatisfaction, other than appeal, by any person or organization, to a certification body relating to activities of that certification body or of a certified operator, where a response is expected.

**Reference:** IAC

**Comment/applicable ISO definition:**

**Term:** Conformity

**Definition:** Fulfilment of a requirement.

**Reference:** ISO 9000:2000

**Comment/applicable ISO definition:**

**Term:** Conformity assessment

**Definition:** Any activity concerned with determining directly or indirectly that relevant requirements are fulfilled.

**Reference:** ISO

**Comment/applicable ISO definition:** According to ISO three types of conformity assessment are distinguished:

- First-party assessment: This is the technical term used when conformity assessment to a standard, specification or regulation is carried out by the supplier organization itself. In other words, it is a self-assessment. This is known as a supplier's declaration of conformity.
- Second-party assessment. This indicates that the conformity assessment is carried out by a customer of the supplier organisation. For example, the supplier invites a potential customer to verify that the products which it is offering conform to relevant product standards.
- Third-party assessment. In this case, the conformity assessment is performed by a body that is independent of both supplier and customer organisations.

See definition of certification

**Term:** Corrective action

**Definition:** Action to eliminate the cause of a potential nonconformity or other undesirable potential situation.

**Reference:** ISO 9000:2000

**Comment/applicable ISO definition:**

**Term:** Evaluation

**Definition:** Systematic assessment based on all relevant information obtained in order to make a certification decision. With reference to a certification decision this includes, but is not limited to, the inspection.

**Reference:** IAC

**Comment/applicable ISO definition:**

**Term:** Exception

**Definition:** Permission granted to an operator by a certification body to be excluded from the need to comply with requirements of the standards.

**Reference:** IAC

**Comment/applicable ISO definition:**

**Term:** Group Certification

**Definition:** Certification of an organized group of producers with a central office, similar farming and production system, working according to a common internal quality management system, which is laid down, established and subject to continued surveillance by the central office. Group certification applies to the group as a whole. Certificate is issued to the central office of the group and shall not be used by single group members.

**Reference:** According to IAF Guidance on the application of ISO/IEC Guide 62:1962 Annex 3 Multisite Certification.

**Comment/applicable ISO definition:**

**Term:** Inspection

**Definition:** Visit on-site to verify that the performance of an operation is in accordance with the applicable certification requirements and standards.

**Reference:** IAC

**Comment/applicable ISO definition:** ISO/IEC Guide 2, ISO 9000:2000:  
Conformity Evaluation by observation and judgement accompanied as appropriate by measurements, testing or gauging.

**Term:** (Internal) Quality Management System

**Definition:** Management system to direct and control an organization with regard to quality. (Management system: system to establish policy and objectives and to achieve those objectives.)

**Reference:** ISO 9000:2000

**Comment/applicable ISO definition:**

**Term:** Non-conformity

**Definition:** An instance where a particular standard or certification requirement is not being met.

- Major non-conformity: breach of applicable standard
- Minor non-conformity (violation): breach of certification requirements other than standard (organic integrity of the products remains unaffected).

**Reference:** IAC (modified)

**Comment/applicable ISO definition:** ISO 9000:2000:

Nonconformity: non-fulfilment of a requirement.

**Term:** Operator

**Definition:** An individual or business enterprise, responsible for ensuring that production meets, and continues to meet, the organic standard on which certification is based.

**Reference:** IAC

**Comment/applicable ISO definition:** Note: ISO/IEC Guide Terminology:

Supplier: The party that is responsible for ensuring that products meet and, if applicable, continue to meet, the requirements on which certification is based.

**Term:** Requirement

**Definition:** Need or expectation that is stated, generally implied or obligatory.

Note 1: Generally implied means that it is custom or common practice for the organization, its customers and other interested parties, that the need or expectation under consideration is implied.

Note 2: A qualifier can be used to denote a specific type of requirement, e.g. product requirement, quality management requirement, customer requirement.

Note 3: Requirements can be generated by different interested parties.

**Reference:** ISO 9000:2000

**Comment/applicable ISO definition:**

**Term:** Standards

**Definition:** 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.

**Reference:** ITF Glossary (WTO/TBT)

**Comment/applicable ISO definition:** Note: The recognized body can be any constituency

**Term:** Technical regulation.

**Definition:** Document that 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.

**Reference:** ITF Glossary (WTO/TBT)

**Comment/applicable ISO definition:** Note: technical regulations can refer to, or be based on, standards.

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

26 – 29 November 2007

Bali, Indonesia

## BACKGROUND AND SUMMARY

The seventh ITF meeting, convened in Bali, Indonesia, was attended by 31 participants; 18 were governments representatives, four from intergovernmental organizations, one from academia and eight from private sector certification bodies and non-governmental organizations. In the course of the meeting, participants reviewed the first draft of a Tool for Equivalence of Organic Standards and Technical Regulations (EquiTool); and the fourth draft of the International Requirements for Organic Certification Bodies (IROCB); they also discussed proposals for two forms of cooperation involving certification bodies; received information on the situation of group certification with specific reference to the situation in the United States; received information on potential negative impacts of equivalence, reviewed the draft ITF Communication Plan, and discussed the prospects for implementing ITF results beyond 2008 when the ITF will end.

Specifically, the seventh meeting achieved the following results:

### **Tool for Equivalence (EquiTool)**

The ITF agreed that the tool is potentially useful and should be further developed, and gave input for the development.

### **Potential Negative Impacts of Equivalence**

ITF produced a resource that explains potential negative impacts of equivalence, and which can be used as a reference for developing sound equivalence agreements that avoid pitfalls.

### **International Requirements for Organic Certification Bodies (IROCB)**

Meeting participants resolved five specific open issues in the fourth draft of this tool, and they provided several other recommendations for the final draft. The participants also decided that ITF should participate in ISO CASCO Working Group 29, which is preparing the revision of ISO 65, and advocate consideration of IROCB in the revision.

### **Stewardship and Ownership of IROCB**

Participants recommended that after the ITF ends in 2008 IFOAM should become the short-term steward of the document, with support from FAO and UNCTAD, which should approve any changes to it. In the long term, IROCB should become either a Codex or ISO document and steps should be taken to begin implementing this.

### **ITF Communications Plan**

The participants agreed on the general approach of the communications plan as well as on the challenges for communicating and advocating the ITF results.

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## **Report of the Seventh Meeting of the ITF**

26 – 29 November 2007  
Bali, Indonesia

### **Welcome**

Professor Dr Djoko Said Damardjati, Director General, Directorate General of Processing and Marketing of Agricultural Products, delivered a welcome address to the ITF. Referring to the international summit on climate change in Bali, Dr Damardjati noted the contribution that organic agriculture can make to solving the problem. He also mentioned the conference of organic producers in Bali and the positive outlook for organic agriculture in Indonesia. Indonesian understands organic management as a production system that is tied to sustainability. Covering 16 million acres of land, organic farming in Indonesia, mostly follows traditional practices. Indonesia has had government organic standards since 2003. The goal for 2010 is the development of the framework for organic certification and accreditation. As a step towards this, in 2006 a competent authority for organic food was created, with its main task to formulate policy for organic and traditional food systems and to develop a certification programme. This initiative fits within the revised strategy of the Indonesian Agricultural Ministry, which is to focus, in addition to production, on the marketing of products in order to support farmers and their ability to produce and sell quality food.

### **Steering Committee Report**

The Steering Committee gave a progress report based on the ITF goals, objective and work plan. According to its Terms of Reference, The ITF work is planned and implemented in Phases, including a review phase, a proposal formulation phase, and a phase to advise stakeholders and provide information on developments following the discussions of the proposals. The Steering Committee announced that the fourth volume of the ITF publication series is available in electronic format on the ITF website and that it will be formally published in early 2008.

The elements of ITF strategy were reviewed. These include:

- Production standards equivalent to a single international standard;
- Mechanisms for the judgment of equivalence to the international reference standard;
- One international requirement for organic certification bodies;
- Common international approaches for recognition or approval of certification bodies.

Items of the ITF work plan that are on the agenda of this meeting were put into the context of the four strategic elements.

## **ITF Reports and Updates**

Reports were given on the following topics:

- European Union Regulation
- IFOAM Organic Guarantee System
- East Africa Regional Standards
- China
- APEC
- Italy
- Japan
- South Pacific Islands
- Dominican Republic
- Thailand
- Philippines
- India
- Tunisia
- Argentina
- Consumer perspectives

Member reports and presentations will be posted on the ITF Web site under the seventh meeting.

### **Paper: Tool for Equivalence of Organic Standards and Technical Regulations**

It was explained that this paper is a first draft to be further developed in 2008 through a consultation process. The Tool is to serve as a practical resource for government and private sector actors when deciding equivalence. It is mainly focused on how to make an equivalence judgment, but also includes steps to ensure transparency. The Terms of Reference called for the Tool to be consistent with the relevant equivalence frameworks established by the WTO and Codex Guidelines for Equivalence of Conformity Assessment (CAC GL 34), and to take into consideration the IFOAM procedure for approving standards. It was explained that the ITF's work on common objectives for organic standards was also incorporated into the Tool. The main body of the Tool is a set of steps to be taken by the parties discussing equivalence of one standard with another. The process is summarized in the following main steps:

- Clarify the objectives of the standards
- Specify the scope of standards
- Disclose the legal context for the standards
- Comprehensively compare the standards
- Establish a structured dialogue
- Make the process transparent

## **Discussion**

It was suggested that the Tool itself should be clearly distinguish from the background information and supplementary information and resources. Furthermore, the second table, “IFOAM Criteria for Variations”, should be reviewed and adapted to suit the ITF purposes. A secondary priority could be to review and further develop the common objectives in the third table of the paper. The Steering Committee strongly encouraged ITF members to develop and submit to the ITF Secretary their individual recommendations for revision of the Criteria for Variations and the Common Objectives of Organic Standards (second and third tables in the table). It was also suggested that the revised paper should further develop steps for maintaining equivalence. There was a request for the ITF members to declare whether or not this tool would actually be used. Several ITF members supported the potential utility of the tool. There was also a recommendation to implement a beta test of the tool when it is finished but before final approval. Ownership of this tool will also be an issue, and it was recommended that once the tool is finished that it should be brought to Codex Alimentarius, such as through the Codex Committee of Food Labeling (CCFL). The Codex Secretary clarified that the process for bringing something up is for Member States and/or Observers to propose it as a new work item.

Participants concluded that tool is useful and improvement of it should continue. It should be further consulted, including certain aspects such as criteria for variations, in processes such as regional workshops as well as through written email consultation.

## **Paper: Potential Negative Impacts of Equivalence of Organic Standards and Technical Regulations**

The ITF received a brief review of the following potential negative impacts of equivalence:

- Lack of transparency;
- Potential discrimination against third parties;
- Complexity of the process, making it mainly applicable in cases of major trade flows;
- Unequal power of the customary parties in an equivalence negotiation (importing country vs. exporting country);
- High cost of implementation;
- Development of new organic sources may be hindered and only old trade links reinforced;
- The further development of international and regional standards may be impeded because of the effect of changed standards on equivalence agreements.

It was recommended that these potential effects should guide the development of appropriate equivalence agreements, and not erect barriers to all such agreements.

## **Discussion**

A question arose about whether equivalence may be becoming less important because of movements such as those with EurepGap and the Soil Association to develop new categories

of requirements in standards. In response it was pointed out that there are balancing movements toward systems that are oriented toward equivalence, such as IFOAM. It was concluded that equivalence is indeed costly to achieve and will be selectively determined but the net benefits probably outweigh the negative aspects.

## **Paper: Overview of Group Certification**

It was explained that this is an information paper based mainly on the discussion of the issue in the US and the ITF's interest is preventing new trade barriers. The presentation explained the concept and historical development of group certification, the recent discussion in the USDA National Organic Program (NOP) on the validity of group certification and the recommendation of a subcommittee of the US National Organic Standards Board (NOSB) on the topic. Concerns about the recommendation indicated in the review paper included that:

- Separate definitions and procedures are suggested for initial and renewal on-site; inspections, which would establish an unfair barrier to new entrants;
- Initial inspection of a group requires that each individual member of the group is inspected;
- Subsequent on site inspections have different procedures.

### **Discussion**

The ITF participants concluded that the EU Commission allows group certification, even though some governments, such as Argentina, do not allow it due to concerns about threatening their equivalence determinations with the EU Regulation EEC 2092/91. It was noted that in the case of the USDA, progress has been made because now the USDA is discussing how to accommodate group certification, whereas nine months ago the message from NOP was that it would not be allowed at all. It was noted that in Japan, group certification is allowed for imports and also domestically, but in the latter case it does not reduce requirements for individual inspections. One participant noted that in the case of single big operations there is also no 100 percent observation/inspection of every site and facility. The importance of the group certification process to encourage production and market development, for example in Uganda, Philippines and Tunisia, was mentioned.

The issue of what could be the gaps in requirements to ensure good group certification practices, and how to cover them, was highlighted. One participant stated an opinion that there is fear in the US that organic integrity is under threat from group certification, but also the recommendation being formulated in the US is a step to deal with this fear. One potential result is that group certification becomes stricter and the farmer is "guilty until proven innocent" instead of supported within the system. One response to group certification being diminished as an option for farmers is to develop the local markets and participatory guarantee systems instead of relying so much on international trade. Participants discussed whether to formulate a statement on group certification to be delivered to the USDA. Instead, it was agreed to decide on this and other options during the discussion of group certification requirements in IROCB.

## **Paper: Using Cooperation Between Certification Bodies to Facilitate Market Access**

Several potential avenues for market access were reviewed including the limitation to using these avenues. Cooperation between certification bodies is one such avenue, although on a lower level in the hierarchy of avenues. The following forms of cooperation involving certification bodies were presented:

1. The right of a certification body to delegate certification decisions to another certification body. Regulations are silent on this but ISO 65 and IFOAM Accreditation Criteria prohibit delegation of decision. Such delegation requires due diligence of the delegating certification body. A potential disadvantage is laxity in diligence due to the certification body seeking market and financial advantages.
2. The potential direct approval of imports by certification bodies, rather than government. There are precedents for this in other sectors where the importers determine whether the product is compliant with a particular technical regulation or market requirement. On the other hand, certification bodies under some regulations, e.g. NOP, are required to accept all other NOP accredited certification bodies and not allowed to accept those that are not NOP accredited. Essentially NOP allows certification bodies to delegate their authority. Also, ISO schemes are operating in areas covered by regulations, but there are flexible arrangements to delegate certification. Implementation of this cooperation avenue would require agreements and supervisory mechanisms. A potential disadvantage is protectionism of one's own domestic clients.

Allowance of these mechanisms could signal the private sector, certification bodies and traders to cooperate better. Even though it might appear to loosen control, greater cooperation could actually reduce the risk for fraud. It was proposed that ITF recommend these two options.

### **Discussion**

Some participants advocated that international harmonization around a single standard would be a more effective solution than these avenues of cooperation. It was clarified that delegation of decision would work within a given accreditation or some other type of trust-building system such as peer review or bilateral review. Participants discussed whether recommending delegation of decision would appear to be too revolutionary because it contradicts the ISO requirements, which the ITF has supported, and also jeopardizes the uptake of ITF Tool. It was suggested that ITF request ISO to explain the reason for prohibiting delegation of decision and also to become involved in the ISO 65 process and take up the issue there. Participants were informed that in June 2007 the IROCB working group recommended that ITF participate in the ISO 65 revision, and as a result the draft ITF budget for 2007-2008 includes funding for representation to the ISO CASCO 29 Committee, which is working on the ISO 65 revision.

## **Report on Tools: International Requirements for Organic Certification Bodies. 4th Draft.**

After receiving a presentation of the concept and development of the IROCB, the ITF participants formed four small working groups to address five topics. The results of group work were presented and discussed, leading to the following conclusions:

1. *Group Certification* (Section 3.2.4). The suggestions of the groups for various changes to terminology in this section will be taken into consideration by the author for the next draft. Also, it was agreed that a reference to practice codes for group certification should be made instead of inserting detailed requirements into the document.
2. *Responsibility for Certification Decisions* (Section 2.1.3). Of the diverse solutions presented for this topic, the text proposed by Group A, referring to ISO Guide 68 was chosen to be included in the next draft in square brackets.
3. *Training* (Section 2.2.2). The language requiring the certification bodies to “provide training” should be modified. The emphasis should be on ensuring competence rather than on the more prescriptive provision of training.
4. *Retention of Certification* (Section 3.4). Participants agreed that the revised language in the fourth draft is appropriate.
5. *Quality Management* (Section 2.5.1). Participants concluded that the content on Quality Management in the fourth draft is appropriate and that no changes should be made.

### **General Discussion**

It was suggested that a reference to compliance with legislation be added, and it was agreed that this would be placed in the introduction. A question was asked about whether there should be time-limited requirements on certification bodies’ responses to notification of change by operators. This was noted as related to client services, which is generally not addressed in various certification documents, and none of the main certification requirements includes this detail. However, participants recognized the importance of the matter for operators, and therefore decided that the ITF will encourage certification service to be timely and otherwise attentive to the operators. Finally, it was suggested that IFOAM Accreditation Criteria be referenced in the introduction, along with ISO Guide 65. ITF members were invited to submit additional written comments to the Secretary by 15 January 2008.

### **Stewardship and Ownership of IROCB**

The ITF examined criteria for IROCB ownership that were developed by the participants of the ITF Workshop on Certification Requirements in 2006. One participant advocated that the criteria be weighted in importance, and that the recognition by governments is assigned the highest importance. There was also a question on whether ownership needs to be defined, especially since the ITF is only an open-ended platform. However, it was recognized that without ownership, IROCB might not be taken up by key actors. Also, it is essentially a standard and there must be some capacity to revise the document. It was suggested that the document

be brought to Codex Alimentarius and ISO. In the case of Codex, it was also suggested that it is clarified by the Codex Secretary that the document must be proposed as a new work item by member countries or the three ITF sponsoring organizations, rather than only handed in as a reference. It was noted that both the Codex and ISO processes have a very long time line and a short-term solution is also needed for IROCB. Regarding the shorter term, it was suggested that one of the three ITF sponsor organizations be charged with responsibility for IROCB, and several participants suggested that this should be IFOAM, which will always have an interest in the organic movement. It was, however, noted that a weakness of the IFOAM option is that IFOAM has not been recognized by governments. Therefore, it should remain the responsibility of the other two organizations to support IFOAM's stewardship of the document and to approve any changes to it. For the longer term, it was agreed to introduce IROCB by way of our participation in the development of the ISO Guide 65 revision, and also to explore the best way to introduce it as a work item in Codex. ITF members who are also involved with Codex and ISO should take it up.

## **ITF Communication Plan**

The ITF discussed the communication plan presented by the Steering Committee. Translation was seen as an important aspect. The ITF agreed that all the main communications instruments, e.g. power point, brochure, information sheets, plus the main papers, should be translated into Spanish. There was a request for translation of the power point and brochure into French. One participant advocated tailored communications for the politicians, wherein the message is pointed in terms of the problem and proposed solution. It should not be too technical. There should be a message about what the communication targets are. There could be two types of briefing packages – one general and one for governments. In both cases, the information kit will be digested information and not overly technical. Also, the ITF should use communication vehicles that target politicians, such as leading agricultural publications and the media. Codex CASCO and intergovernmental organizations, such as UNECE and the four UN Commissions, were also suggested as avenues for getting to the governments. The Steering Committee mentioned the possibility of consulting with ITF members on the communication documents, because there are such diverse targets that need different types of communications.

Messaging will also be done through events. Since it does not have the capacity to call unique meetings and workshops it was recommended that ITF should try to get the main messaging into regional events. Participants mentioned various regional events that could be used, and the Steering Committee invited ITF members to put their suggestions and related information in writing and submit it to the ITF Secretary.

The Steering Committee invited ITF members to submit proposals for regional workshops. One participant requested that more more information be given by the Steering Committee about what kind of feedback they wanted the workshops to supply. This would affect the types

of workshops proposed. The Steering Committee encouraged ITF members to answer this question and propose what the workshops should achieve.

Regarding media relations, it was pointed out that the FAO has a great capacity and can get the major media's attention.

The chair concluded that the participants agreed on the general approach to the communication and the challenges.

## **Achievements and Next Steps**

**Tool for Equivalence:** The ITF discussed whether and how the next draft of the Tool can be tested. It was suggested that the Tool could be tested by IFOAM when it evaluates the standards of the major importing countries with the IFOAM Basic Standards; however ITF felt it should also be tested by government. One participant suggested that countries that are actually preparing requests for equivalence could test the Tool. It was stated that India would definitely use this Tool. It was also suggested that China and India could get together and test it using their standards. The testing should be done and results available before the final adoption. This would mean that the testing would occur during the summer of 2008. It was stated that international standards and procedures must also be employed for equivalence discussions. In response, it was clarified that the Tool can be used by using ones own standards as reference, but also in the framework of an international standard, using the international standard as the reference standard. The Tool preface could state that for import approval the reference standard should be the international standard. For example, the new EU Regulation text on equivalence refers to taking Codex Guidelines into account. It was suggested that China take its standards and Codex standard and analyse equivalence with the US. The purpose of the Tool is to enable the parties to judge the identified differences in the standards.

The ITF discussed who would be interested in participating in a working group. It is very important to include people who are actually going to use this Tool as civil servants; as the input to it will be more real. There were no volunteers during this session. ITF members were encouraged to give further consideration to volunteering for the working group when sending in the final comments on IROCB Draft 4 by 15 January.

## **IROCB**

There was a request for further clarification on how to consult the document with local constituencies. It was suggested that in the future there could be a Terms of Reference on what to now do with the document in the local constituencies e.g. in regional workshops. It was clarified that for IROCB the document is in a final stage and the work is more to disseminate the results. The participant from India stated that the Indian government would be willing to use this tool. The consultation on IROCB from this point forward should be more focused on

the big picture of the utility of the tool. However, comments for changes will not be ignored. ITF will write a small guidance note on what to do with IROCB in the regions e.g. in regional workshops and other dialogues. It was also suggested that outreach for input on the main importing systems should be the focus, as well as those who are developing their systems. Regarding sending an ITF representative to CASCO, there should be clear proposals to make, e.g. on group certification and delegation of decision. There should be a briefing for the representative and a guidance paper for conducting the representation. Guidance paper should be sent to the ITF members so that they can share it with their CASCO representatives.

**Cooperation Between Certification Bodies:** The concept of delegation of certification should be brought to ISO CASCO.

The Steering Committee asked participants to express their view on the recommendation that certification bodies be authorized to do import approvals. It was suggested that authorities should be consulted to see how feasible this would be and bring that feedback back to ITF. It was noted that the idea is supportive of the objectives of the ITF. ITF members were invited to submit other comments on this matter by 15 December.

### **Communications Plan**

The Steering Committee asked for proposals for regional workshops by 30 March. The Chair invited ideas on key messages by 15 December. Participants suggested that the brochure should be developed by the end of March. A further suggestion was made to use case examples in the messaging. It was commented that members are already participating in events of IAF, ISO etc. so there should be messaging tailored for these groups.

### **Next Meeting**

The Steering Committee proposed that the next meeting should be in the autumn at UNTAD or FAO in order to take advantage of strategic opportunities for outreach on the results and participation of members from key importing countries. The next meeting will mainly adopt IROCB and complete the EquiTool and key ITF recommendations.

## **Discussion: Beyond the ITF**

The Steering Committee informed the ITF that donor organizations have encouraged proposals for new projects that expand upon the themes and results of the ITF, e.g. assistance for implementation in a region. The Steering Committee encouraged ITF members to submit ideas for types of projects that could follow up on the ITF. There is already some outgrowth from ITF, for example, the APEC organic equivalence project as described in the member reporting and regional standards projects. A participant from China stated that China wants to play a role in APEC to implement the fruits of the ITF.

Several types of potential projects were identified. Information products might be useful to help members in their daily work to carry out the objectives of the ITF and reduce trade barriers in their own context, e.g. via a future Web site. Guidance and ideas based on ITF results for appropriate regulation, e.g. on importing, may be useful. An ITF follow up project could also play a role to promote and disseminate existing resources throughout the world, e.g. IFOAM guidance on group certification. (This is also related to accepting IFOAM standards as international standards.) There was a request for the Steering Committee to prepare and consult with ITF members a concept note for work beyond the ITF. The Pacific Islands expressed that the ITF meeting has been a valuable training experience as they develop their organic agriculture support programme.

## Addendum 1: Participant List

First Name	Last Name	Organization	Country
Yunhua	Chen	China National Accreditation Service for Conformity Assessment	China
Michela	Coli	Istituto per la Certificazione Etica ed Ambientale	Italy
E. Manolo	de la Cruz Berganza	Ministry of Agriculture of Guatemala	Guatemala
David	Eboku	Uganda National Bureau of Standards	Uganda
Felicia	Echeverría	Eco-Logica Certification Agency	Costa Rica
Eustace	Kiarii	Kenya Organic Agriculture Network	Kenya
P.V.S.M.	Gouri	APEDA	India
Ulrich	Hamm	Faculty of Organic Agricultural Sciences, University of Kassel	Germany
Stephen	Hazelman	Secretariat of the Pacific Community (SPC)	Fiji Islands
Jintana	Indramangala	Department of Livestock Development, Ministry of Agriculture and Cooperatives	Thailand
Kiyofumi	Ishikawa	Food and Agricultural Materials Inspection Center (FAMIC)	Japan
Matsumoto	Kenji	Japan Organic and Natural Foods Association	Japan
Samia	Maamer Belkhiria	Organic Agriculture Directorate, Direction Générale de la Production Agricole Ministère de l'Agriculture	Tunisia
Laura Cecilia	Montenegro	Argencert SRL	Argentina
Asad	Naqvi	United Nations Environment Programme	Switzerland
Teresita G.	Oyson	Department of Trade and Industry, Bureau of Export Trade Promotion	Philippines
Cristiane	Sampaio	National Institute of Metrology, Standardization and Industrial Quality (INMETRO) - Conformity, Ministry of Development, Industry and Foreign Trade	Brazil
Girlie	Sarmiento	Center for International Trade Expositions & Missions / Dept. of Trade & Industry	Philippines

Ananto	Seta	Ministry of Agriculture	Indonesia
Xiaowei	Shi	Certification and Accreditation Administration of the People's Republic of China	China
Mildred	Steidle	Organic Services GmbH	Germany
Adimaimalaga Tafunai		Women in Business Development Inc.	Samoa
Yasuko	Taniguchi	Ministry of Agriculture, Forestry and Fisheries	Japan
Lara	Vivas	Bureau of Agriculture and Fisheries Product Standards	Philippines
Wibulwan	Wannamolee Standards	National Bureau of Agricultural Commodity and Food	Thailand
Xingji	Xiao	China Organic Food Development and Certification Center	China
Josè	Zapata Gomez	National Program for Organic Agriculture, Organic Agriculture Control Office	Dominican Republic
<b>ITF Steering Committee:</b>			
Selma H.	Doyran	Food and Agriculture Organization of the United Nations, Codex Alimentarius Commission / Joint FAO/WHO Food Standards Programme	Italy
Nadia	El Hage Scialabba	Food and Agriculture Organization	Italy
Gunnar	Rundgren	Grolink	Sweden
Sophia	Twarog	Trade, Environment and Development Branch, United Nations Conference on Trade and Development	United States
<b>ITF Secretariat:</b>			
Diane	Bowen	International Federation of Organic Agriculture Movements (IFOAM)	United States
Pfundt	Katharina	International Federation of Organic Agriculture Movements (IFOAM)	Germany

## **Addendum 2: Agenda**

### **Seventh Meeting of the International Task Force on Harmonization and Equivalency in Organic Agriculture**

Bali, Indonesia  
27 – 30 November 2007

#### **Agenda**

##### **Tuesday, 27 November 2007**

- 09.00–9.30 Welcome to the 7th ITF meeting  
(Indonesian Ministry of Agriculture)
- 09.30–10.00 Agenda approval and Steering Committee Report
- 10.00–10.30 ITF reports: updates on recent developments
- 10.30–11.00 *coffee/tea break*
- 11.00–12.30 ITF reports: updates on recent developments (continued)
- 12.30–14.00 *Lunch hosted by the Indonesian Ministry of Agriculture*
- 14.00–15.30 Tool for Equivalence of Organic Standards/Technical Regulations  
(Diane Bowen)
- 15.30–16.00 Potential Negative Impacts of Equivalence (Gunnar Rundgren)
- 16.00–16.30 *coffee/tea break*
- 16.30–17.30 Group Certification (Mildred Steidle)
- 19:00 ITF Welcome Dinner: hosted by the Indonesian Ministry of Agriculture

##### **Wednesday, 28 November**

- 09:00–10:00 Cooperation among Certification Bodies (Gunnar Rundgren)
- 10:00–10:45 International Requirements for Organic Certification Bodies (Mildred Steidle)
- 10:45–11:15 *coffee/tea break*
- 11:15–12:30 Breakout group discussions on IROCB
- 12:30–14:00 *Lunch hosted by the Indonesian Ministry of Agriculture*
- 14:00–15:45 IROCB break-out group reports and general discussion
- 15:45–16:30 IROCB ownership and next steps for the document
- 16:30–17:00 *coffee/tea break*
- 17:00–18:00 Communication & Advocacy Plan (Nadia Scialabba)

Open evening for ITF members/ITF Steering Committee meeting

##### **Thursday, 29 November**

- 9:00–10:00 Achievements of the 7th Meeting
- 10:00–10:30 Discussion: Next steps for ITF

- 10:30–11:00 *coffee/tea break*  
11:00–12:00 Discussion: Beyond ITF  
12:00–13:30 *Lunch hosted by the Indonesian Ministry of Agriculture*  
14.30–17:30 ITF Steering Committee Meeting  
13:30 Tour (hosted by the Indonesian Ministry of Agriculture):  
13:30 Departure from the hotel: visit Bali Organic Festivals  
14:30 Departure  
15:30 Visit Tanah Lot (one of the spectacular temples in Bali)  
17:30 Departure  
19:00 *Cultural Dinner at Angsa Putih Restaurant*

**Friday, 30 November**

- 07:00–17:00 Organic Farm and Cultural Tour hosted by the Indonesian Ministry of Agriculture  
18:00 *ITF Farewell Dinner: hosted by the Indonesian Ministry of Agriculture*



## Annex 1

### **Terms of Reference** for the International Task Force on Harmonisation and Equivalence in Organic Agriculture

The International Task Force on Harmonisation 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;
- Extent of international harmonisation.

*2. Build on the recommendations of the IFOAM/FAO/UNCTAD Conference on International Harmonisation 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 harmonisation 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;
- 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

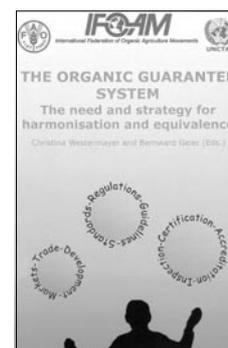
Accreditation	Procedure by which an authoritative body gives a formal recognition that a body or person is competent to carry out specific tasks.
Certification	Procedure by which a third party gives written assurance that a clearly identified process has been methodically assessed, such that adequate 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. (Ref: ISO).
Conformity	Body that performs conformity assessment services and that can be the object of accreditation. (ISO/IEC 17000).
Equivalence	The acceptance that different standards or technical regulations on the same subject fulfil common objectives. (Ref: ITF)
Harmonization	The process by which standards, technical regulations and conformity assessment on the same subject approved by different bodies establishes interchangeability of products and processes. The process aims at the establishment of identical standards, 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) <i>Note: this could include requirements on the body itself.</i>

- 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: WTO/TBT)  
*Note: technical regulations can refer to, or be based on, standards.*

## Other Volumes in the ITF Publication Series

***The Organic Guarantee System. The need and strategy for harmonisation and equivalence.*** 1/1/2003. Christina Westermayer and Bernward Geier. ISBN no. 3-934-055-23-0.

The “Organic Guarantee System” is a comprehensive publication for all stakeholders in the various fields connected with organic guarantee systems. Based on the Conference on International Harmonization and Equivalence in Organic Agriculture, held in 2002 by IFOAM, FAO and UNCTAD, it includes contributions from the original Conference Reader as well as a considerable amount of new material from presentations made at the conference. The publication covers and reflects on developments in the fields of standards, regulations and guidelines; inspection, certification and accreditation; and markets, trade and development.



***Harmonization and Equivalence in Organic Agriculture, Volume 1. Background papers of the International Task Force on Harmonization and Equivalence in Organic Agriculture.*** 1/1/2004. eds. Joy Michaud, Els Wynen and Diane Bowen; UNCTAD/DITC/TED/2005/4. ISBN no. 3-934055-47-8.

Harmonization and Equivalence in Organic Agriculture, Volume 1, presents the first results of the International Task Force (ITF) on Harmonization and Equivalence in Organic Agriculture. This volume features the first four background papers that describe the current situation in organic regulation and trade, and offers some models that could apply to potential solutions. A Terms of Reference of the ITF and reports of the first two task force meetings are also included.

***Strategy on Solutions for Harmonizing International Regulation of Organic Agriculture. Volume 2 Background papers of the International Task Force on Harmonization and Equivalence in Organic Agriculture.*** UNCTAD/DITC/TED/2005/15.

This second volume of background papers of the ITF on Harmonization and Equivalence in Organic Agriculture presents the long-term strategic goal and medium term objectives agreed upon by the ITF in order to solve the trade challenges in the organic sector. It also includes the reports of the third and fourth ITF meetings.

***Harmonization and Equivalence in Organic Agriculture. Volume 3 Background papers of the International Task Force on Harmonization and Equivalence. in Organic Agriculture.*** UNCTAD/DITC/TED/2007/1. ISBN-10: 3-934055-80-X. ISBN-13: 978-3-934055-80-3

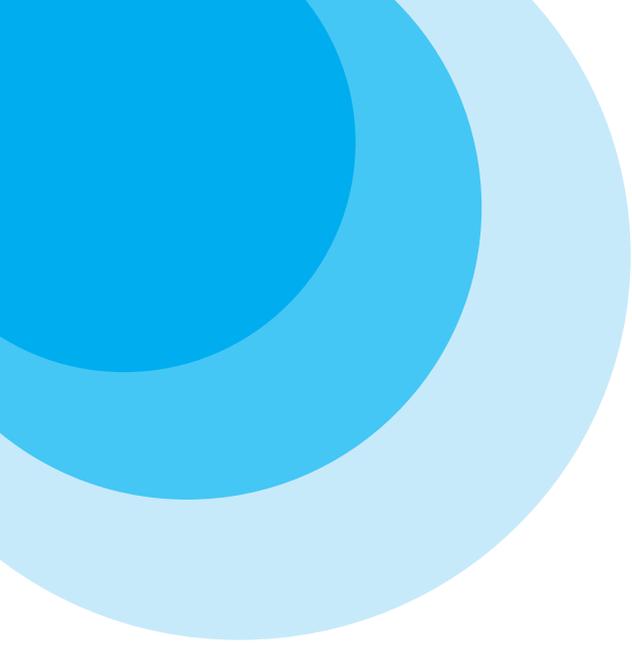
The third volume of background papers of the ITF on Harmonization and Equivalence in Organic Agriculture presents four discussion papers that further develop the potential solutions as proposed by the ITF in Vol. 2 of this series. A Terms of Reference of the ITF, the ITF definitions and a report of the fifth ITF meeting are also included.

***Harmonization and Equivalence in Organic Agriculture. Volume 4. Background papers of the International Task Force on Harmonization and Equivalence. in Organic Agriculture.*** UNCTAD/DITC/TED/2008/3. ISBN-13: 978-3-940946-05-8.

The fourth volume of background papers of the ITF on Harmonization and Equivalence in Organic Agriculture presents four discussion papers presented at the sixth meeting of the ITF, as well as the first draft of the International Requirements for Organic Certification Bodies (IROCB), which is a tool for equivalence of organic conformity assessment systems. In addition, the volume contains an ITF Communiqué.

*Please visit the ITF website at [www.unctad.org/trade\\_env/ITF-organic](http://www.unctad.org/trade_env/ITF-organic) to download electronic copies of all ITF publications. Paper copies of these publications can be obtained from the ITF Secretariat.*

*For contact information please refer to the ITF website.*



Harmonization and Equivalence in Organic Agriculture, Volume 5, presents the 2007 work and results of the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF). Organized by UNCTAD, FAO and IFOAM, the ITF is seeking solutions to international trade challenges that have arisen as a result of the numerous public and private standards and regulations for organic products that now prevail worldwide.

This volume presents the discussion papers, draft tools and Report of the Seventh ITF Meeting. The tools are the International Requirements for Organic Certification Bodies (IROCB), a reference norm that can be used for determining the equivalence of certification systems and recognizing certification bodies, and EquiTool, which is a guideline for evaluating equivalence of organic standards and technical regulations. Discussion papers are on potential negative effects of equivalence agreements, cooperation in conformity assessment for certification decisions and import approvals and an overview on the situation of group certification.