

# CONFERENCE READER

INTERNATIONAL CONFERENCE



## Let the Good Products Flow!

Global Organic Market Access in 2012 and Beyond

13-14 February 2012 • Nuremberg Messe, Nuremberg, Germany



UNITED NATIONS  
UNCTAD



**IFOAM**  
INTERNATIONAL FEDERATION OF  
ORGANIC AGRICULTURE MOVEMENTS

In partnership with BioFach



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## Global Organic Market Access in 2012 and Beyond

13-14 February 2012  
Nuremberg Messe, NCC Ost, Room Shanghai  
Nuremberg, Germany



**Global Organic Market Access**  
a project of FAO, IFOAM and UNCTAD

United Nations Conference on Trade and Development, Geneva  
Food and Agriculture Organization of the United Nations, Rome  
International Federation of Organic Agriculture Movements, Bonn



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# PREFACE

## BACKGROUND

For ten years, FAO, IFOAM and UNCTAD have worked in partnership to address and reduce barriers to trade of organic products resulting from the global proliferation of organic standards and technical regulations. Our partnership began with sponsorship of a conference in Nuremberg in 2002 called “The Organic Guarantee System: the need and strategy for harmonization and equivalence.” Shortly thereafter, we convened the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF), which analyzed the situation, examined potential solutions and developed tools and recommendations for implementing solutions. The tools provide ways to improve the efficiency and standardization of processes for assessing equivalence of organic standards and certification performance requirements. In 2009 we embarked on a follow-up project entitled “Global Organic Market Access” (GOMA) which aimed to create even more awareness of the need for increasing organic market access, and to disseminate the recommendations and tools of the ITF and facilitate their implementation.

## CONFERENCE DESCRIPTION

At this high-level international conference, the partners draw together a distinguished group of public and private sector leaders to examine the past, present and future of organic market access relative to systems of organic standards and conformity assessment. Developments and challenges for dominant and emerging exporting/importing economies and for still-developing countries are highlighted and discussed.

Models of public-private and regional cooperation are considered as potential pathways for global solutions to the challenges. In the early 90's, regional organic standards were limited to the European Union. Today, regional organic standards are being forged in the Pacific island countries and territories, East Africa, Central America and Dominican Republic and South/South-East Asia. The development of regional organic standards that are strongly based on public-private partnerships are increasingly gathering political support. These processes, which are paving the way towards a new regionalism for organic agriculture, are described in the conference. The conference also looks at emerging issues, such as the potential for organic standards to promote the growth of organic agriculture vis-à-vis their potential to stifle growth. The role and effectiveness of standards to improve the impacts of organic agriculture are examined.

This Conference Reader presents the conference program, speakers, panelists and rapporteurs, and includes brief summaries of the presentations. The speaker line-up embodies a wealth of experience and insight, sure to generate animated discussion among conference participants about challenges and opportunities to increase organic market access and thereby further develop organic agriculture worldwide.

# ACKNOWLEDGEMENTS

We thank the Norwegian Agency for Development Cooperation (Norad) for its generous financial support of the Global Organic Market Access (GOMA) project. We also thank our conference partner, BioFach, for its many forms of assistance. We appreciate and thank in advance all the speakers, panelists, rapporteurs and participants for their contributions to the success of the conference and their past and future efforts to let the good products flow.

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Nadia El-Hage Scialabba, FAO

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# GOMA BRIEF

## THE NEW REGIONALISM OF ORGANIC STANDARDS

by Nadia Scialabba

The increasing share of organic agriculture production and trade has globalized the sector's connectivity across stakeholders and countries. Cooperation, initially within the realm of isolated organic communities as small as families, is now extended to regions as big as Asia. This is due to, on one hand, a general increase of regional integration processes and, on another hand, the growth of the organic sector in developing countries, including intra-regional and inter-regional trade.

The growth of the organic sector is essentially consumer-driven and the first organic standards and conformity assessment procedures were pioneered by communities in the private sector. Increasing organic trade opportunities has led governments to regulate the sector, with a view to protect consumers and/or access international markets. The multiplication of organic standards, and related guarantee systems, today results in compliance costs that have proven to be too complex and costly, hindering the development of organic production and exchange, domestically and internationally. Trade (both intra-regional and inter-regional) and common national circumstances have brought public and private actors together around the table to formulate regional organic standards, based on regional commonalities. It is very encouraging to see that even in countries where national organic regulations have been promulgated by the public sector alone, these same countries are currently open to the participation of private actors.

Today, regional organic standards are being forged in: the Pacific island countries and territories; East Africa; Central America and Dominican Republic; and South/South-East Asia. Stakeholders in other regions, e.g. the Andean and Southern African countries, have expressed their intent to engage into regional processes to regulate their organic sector.

Regional organic standards that are strongly based on public-private partnerships are increasingly gathering political support as a foundation for multilateral agreements. Their development processes are paving the way towards a new regionalism for organic agriculture.

This trend seems to have been triggered by the difficulty experienced by many countries to be on the "third country list" of the EC for entering the European market. In response, regional or sub-regional groups of concerned organic stakeholders are creating a critical mass of trading partners. In addition to developing regional organic standards these groups are collectively addressing other trade hurdles by sharing the logistic, administrative and financial burden - from the capacity to fill an organic container (e.g. Pacific islands), to sharing/pooling certification services (e.g. East Africa) and capitalizing on existing standards without engaging into national regulations (e.g. small Asian countries). The regionalized countries draw on economies of scale for improving their capabilities to manage the organic sector. This regional dimension can provide effective and efficient links between the global and the national levels; international organic trade fuels domestic organic markets and regional standards buffer against international regulations and related requirements. Such regional integration and cooperation is crucial to improving the dynamics of organic trade governance.

The GOMA project has been assisting this process by infusing regional organic standards with international norms and values, while building on specific needs and circumstances. The emerging regional governance of the organic sector is bound to benefit global organic trade, starting with intra-regional trade in developing countries. The collective engagement of public and private stakeholders within regions, and the coherent alignment of organic standards and regulations through harmonization and equivalence, will eventually facilitate regional cohesiveness, as well as the international connectivity of the organic sector.

# TABLE OF CONTENTS

<b>Preface</b>	<b>i</b>
<b>Acknowledgements</b>	<b>ii</b>
<b>GOMA Brief</b>	<b>iii</b>
<b>GOMA Conference Program</b>	<b>1</b>
<b>Conference Opening</b>	<b>4</b>
Welcome Address	4
Keynote Speech: Enhancing Opportunities and Incomes	9
Keynote Speech: The Role of Organic Farming in Our Societies	10
<b>10 Years Back and 10 Years Forward</b>	<b>12</b>
Past (2002): The Starting Point and the Issues	12
Present (2012): Current Situation of Organic Market Access	14
Future: What Will Happen? What Should Happen?	16
<b>Developing Countries and the World Organic Market</b>	<b>18</b>
Development of East African Organic Products Standards (EAOPS)	18
Development of a Pacific Organic Guarantee System (POGS)	20
Development of Asian Regional Organic Standard (AROS)	22
How Organic Producers from the South Can Get Better Market Access in Developed Countries	24
Developing Organic Trade in Asia: The Challenges	25
Developing Countries and World Organic Market: The Opportunity for Africa	27
<b>Enhancing Cooperation</b>	<b>29</b>
Public-Private Cooperation to Facilitate Multilateral Equivalence	29
Systems of Regional Cooperation	31
How Global Organic Market Access can be Accomplished	33
<b>Opening of Conference - Day 2</b>	<b>34</b>
Keynote Speech: African Union Policies Connecting Organic Agriculture to Poverty Alleviation and Trade Opportunities in Africa	34
<b>Enhancing Market Access</b>	<b>36</b>
How Dominant Markets Work Towards Mutual Recognition	36
Promoting Organic Trade While Protecting Organic Integrity	38
International Organic Equivalency Arrangements vs. Trade Facilitation	40
Emerging Organic Markets and Trade	41
<b>Emerging Issues</b>	<b>43</b>
Expanding the Scope of Organic?	43
Different Ways of Working towards the Goals of Organic Agriculture	44
Keeping Up With Ever Increasing Requirements: Can We? Should We?	46
<b>Conference Conclusion</b>	<b>47</b>
Keynote Speech: Organic Trade: Harmony and Sustainability	47
<b>Conference Rapporteurs</b>	<b>49</b>

# GOMA CONFERENCE PROGRAM

## DAY 1 - MONDAY, FEBRUARY 13

**08.00-09.00** Registration Check-in  
**Conference Opening (Moderator: Mr. Ulrich Hoffmann)**

**09.00-09.30** Welcome Addresses:  
Mr. Alexander Müller, Assistant Director-General, FAO  
Mr. Andre Leu, President, IFOAM  
Mr. Guillermo Valles, Director of DITC, UNCTAD

**09.30-09.50** **Keynote Speech:**  
Mr. Harsha V. Singh, Deputy Director-General WTO

**09.50-10.10** **Keynote Speech:**  
Mr. Franz Fischler, President, Eco Social Forum Europe

**10.10- 10.40** **Coffee/Tea Break**

### 10 YEARS BACK AND 10 YEARS FORWARD (MODERATOR: MS. SELMA DOYRAN)

**10.40-12.00** **Past (2002) - The Starting Point and the Issues**  
Mr. David Crucefix, IOAS

**Present (2012) - What ITF/GOMA Have Achieved and Current Situation of Market Access**  
Ms. Nadia Scialabba, FAO

**Future (2022): What Will Happen? What Should Happen?**  
Mr. Gunnar Rundgren, Publisher of *The Organic Standards*

**Discussion**

**12.00- 13.00** **Lunch**

### DEVELOPING COUNTRIES AND THE WORLD ORGANIC MARKET (MODERATOR: MS. NADIA SCIALABBA)

**13.00-15.00** *“Organic Agriculture: a Good Option for Least Developed Countries” (Video)*

**REGIONAL COOPERATION**

**Development of the East African Organic Products Standards,**  
Mr. David Eboku, Uganda Bureau of Standards

**Development of an Organic Guarantee System for the Pacific,**  
Ms. Karen Mapusua, Pacific Organic and Ethical Trade Community, Samoa

**Government Cooperation in Central America,**  
Ms. Elisabeth Ramirez, Ministry of Agriculture, Costa Rica

**Development of Asian Regional Organic Standard,**  
Ms. Lara Vivas, Bureau of Agriculture and Fisheries Product Standards, Philippines

**Panel: Where are Developing Countries and Smallholders in the Organic Trade Picture? Can Regional Cooperation Improve Their Market Access? How Can National and Regional Markets in Developing Countries be Developed?**

Panelists: Mr. Javier Hurtado, Irupana, Andean Organic Food S.A.; Mr. Vitoon Panyakul, GreenNet; Mr. Moses Muwanga, NOGAMU

**Discussion**

**15.00-15.30** **Coffee/Tea Break**

**ENHANCING COOPERATION (MODERATOR: MR. ANDRE LEU)**

**15.30-17.10** **Public-Private Cooperation to Facilitate Multilateral Equivalence**  
Mr. Markus Arbenz, IFOAM

**Systems of Regional Cooperation**

Mr. Ong Kung Wai, GOMA Steering Committee

**How Global Organic Market Access Can be Accomplished**

Ms. Sophia Twarog, UNCTAD

**Discussion**

**17.10-17.30** **Presentation of Draft Conference Conclusions**

**18.00-19.30** **Conference Reception**

*The Conference Reception is co-sponsored by GOMA and BioFach.*

**DAY 2 - TUESDAY, FEBRUARY 14**

**09.00-09.10** **Opening of Conference Second Day**  
Mr. Ulrich Hoffmann, UNCTAD

**09.10-09.30** **Keynote Speech**  
H.E. Ms. Tumusiime Rhoda Peace, African Union

**ENHANCING MARKET ACCESS (MODERATOR: MR. ONG KUNG WAI)**

**09.30-10.30** **How Dominant Markets Work Towards Mutual Recognition**  
Panelists: Mr. Jean-Francois Hulot, European Commission; Mr. Miles McEvoy; Mr. Michel Saumur, Canadian Food Inspection Agency

*Progress with and experiences from mutual recognition agreements? Other tools to enhance market access, in particular for developing countries? How to ensure that third countries are not disadvantaged?*

**10.30-11.00** **Coffee/Tea Break**

**11.00-11.50** **How Emerging Organic Powers are Shaping Their Global Roles**

Panelists: Mr. Xingji Xiao, OFDC; Ms. P.V.S.M. Gouri, APEDA; Mr. Rogério Dias, Ministry of Agriculture, Brazil

*What do you do to promote the development of your domestic market? How do you facilitate import access and avoid creating new barriers? How would you like to see a global system for organic market access?*

**Discussion**

## Conference Program

### EMERGING ISSUES (MODERATOR: MS. MILDRED STEIDLE, ORGANIC SERVICES)

#### 11.50-12.50 **Expanding the Scope of Organic?**

Mr. Bavo van den Idsert, Dutch Association of Organic Producers and Traders

#### **Different Ways of Working towards the Goals of Organic Agriculture**

Ms. Susanne Padel, Organic Research Centre Elm Farm UK

#### **Keeping Up With Ever Increasing Requirements: Can We? Should We?**

Mr. Thilak Kariyawasam, Lanka Organic Agriculture Movement, Sri Lanka

#### **Discussion**

#### 12.50-13.00 **Introduction to Discussion Groups**

Mr. Gunnar Rundgren

#### 13.00- 14.00 **Lunch**

### DISCUSSION GROUPS

#### 14.00-15.00 Four groups will make recommendations on one topic each:

1. What key needs and concerns are yet to be solved by existing harmonization and equivalence initiatives?
2. How shall the organic sector, and organic regulations respond to increased attention to emerging society, market or consumer expectations and its own principles of broader sustainability?
3. What can private sector actors do to facilitate increased equivalence?
4. How to ensure that less developed countries and poor producers are not excluded from growing trade in organic products?

#### 15.00-15.30 **Reports from Discussion Groups**

#### 15.30-16.00 **Coffee/Tea Break**

### CONFERENCE CONCLUSION (MODERATOR: MS. SOPHIA TWAROG)

#### 16.00-16.20 **Keynote Speech: Ms. Kathleen Merrigan, Deputy Secretary USDA**

#### 16.20-16.50 **Reflections on Conference Outcomes**

##### **Rapporteurs' Reflections**

Mr. Matthew Holmes, Canada Organic Trade Association and Ms. Laura Montenegro, Argencert

##### **Participants' Reflections**

#### 16.50-17.00 **Conference Conclusions and Closing**

# CONFERENCE OPENING

## WELCOME ADDRESS

### MR. ALEXANDER MÜLLER

ASSISTANT DIRECTOR-GENERAL, FAO

### SPEAKER'S BIO

Alexander Müller has been Assistant Director-General of the Natural Resources Management and Environment Department of FAO since 2006. Prior to that (2001-2005) he served as State Secretary for the Federal Ministry of Consumer Protection, Food and Agriculture in Hesse.



He began to play a prominent role in the German government as early as 1992, when he was appointed State Secretary for the Hessian Ministry of Youth, Family and Health Affairs. In 1995, he was elected a Member of the Hessian State Parliament for the Green Party, a seat he held until 2001. During this period he was Chairman of the Caucus of the Green Party and a member of the Committee of Environmental Affairs, of the Finance Committee and of the Committee for New Media.

Mr. Müller was born in Gerolzhofen, Germany in 1955 and holds a degree in Social Sciences from the Philipps University in Marburg, Germany.

### ABSTRACT

It is a pleasure for me to participate in this conference and again be part of this Forum, together with other UNCTAD and IFOAM colleagues with whom we held a High-Level Public Session on October 7, 2008. It was then that we launched the equivalence tools developed by the International Task Force on Harmonization and Equivalence in Organic Agriculture, the so-called ITF. Today, we are here to discuss the outcomes of the ITF successor project: GOMA.

GOMA is a success story in terms of advancing the agenda of trading sustainable agricultural products. In fact, all parties are willing to discuss means that prevent trade barriers in the organic sector. There are not so many areas where such an opening could be reported in the agriculture sector. In particular, developing countries in Asia and the Pacific, Central America and Africa have come together to boost their intra-regional trade of organic products. Collaboration and partnership was key to achieve this progress.

With the GOMA project coming to a close in a few months, we are celebrating 10 years of a successful public-private partnership, by looking back and forward to achievements and, most importantly, by preparing ourselves for new and emerging challenges.

Organic trade has continued its expansion, although at a slower rate, despite the recent economic and financial crises. Most importantly, developing countries have established themselves as both exporters and importers of organic products. While

developed countries have so far registered the highest organic sales, domestic markets in developing countries are rapidly expanding. Organic compliance systems are in operation in virtually all countries of the world, even where the sector is limited to a few farms! At the same time, certification has become a new industry; one sees labels of all sorts on products, all claiming some aspect of sustainability. New issues such as climate change and biofuel production have turned to the organic example in developing their labels and sustainability standards. While the organic sector has much to offer regarding the certification business, one wonders whether certification is enough to ensure the credibility of claims, as well as participatory market expansion.

I am told that we are today in the “age of enforcement” of organic standards. This is very good news. At the international level, I could anticipate that we are moving towards the “age of equivalency” of organic standards. Through GOMA, FAO seeks to assist governments in creating conducive environments, in order to ultimately facilitate smallholders’ entry to organic export markets, including low-cost inspection and certification schemes.

Through GOMA, one can see that equivalency is being discussed throughout continents and it seems that this path to “Let the Good Products Flow” is promising. Most importing countries (i.e. EU, USA) have shown interest in working with the ITF/GOMA equivalence tools, though commitment to use them remains to be seen. Indeed, the tools are still in a trial phase. Most importantly, side-by-side standard comparisons for bilateral agreements have proven not to be efficient, nor viable in the longer term. With growing markets everywhere and growing trade, business-as-usual is not an option. For this reason, I am confident that the GOMA project, and this conference in particular, will have a fast-forward effect on equivalency practices.

We have at this conference many of the world’s leaders of organic guarantee systems, as well as many operators who struggle every day to bring organic products onto the market. Some are proactive; others are carefully observing developments. I trust that the conference will showcase new opportunities and discuss challenges for collectively improving and innovating.

## WELCOME ADDRESS

### MR. ANDRE LEU

PRESIDENT, IFOAM

#### SPEAKER'S BIO

Andre Leu is the President of the International Federation of Organic Agricultural Movements (IFOAM), the world umbrella body for the organic sector.



Andre has over 20 years of experience teaching at tertiary level and holds university degrees in Communications and Adult Education. He conducts workshops on organic production in Australia and other countries as well as teaching horticulture and environmental subjects.

Andre has 40 years of experience in all areas of organic agriculture from growing, pest control, weed management, marketing, post harvest, transport, grower organisations, developing new crops and education in Australia and in many other countries.

He has an extensive knowledge of farming and environmental systems across Asia, Europe, the Americas, and Africa from over 35 years of visiting and working these countries.

He has written and published extensively in magazines, newspapers, journals, conference proceedings, newsletters, websites and other media on many areas of organic agriculture including climate change, the environment and the health benefits of organic agronomy.

Andre and his wife own an organic tropical fruit orchard in Daintree, Queensland that supplies quality controlled fruit to a range of markets from local to international.

#### ABSTRACT

The world has around 1 billion people who are undernourished. The majority of these people are smallholder farmers. The most critical issue for hundreds of millions of smallholder farmers is the need to feed their families. They need food security, and this is done by Putting Food on the Table First.

However, as traditional wisdom says: 'Man does not live on bread alone'.

These farmers, just like everyone else, need more than just a subsistence diet. They need to have an income so that they can send their children to school, pay for medicines and health care, veterinary care for their livestock, clothes, a house and the usual basic necessities of life.

The funds for these necessities of life must come from the trade of the produce that is surplus to their subsistence food needs.

They need to have markets for some of their produce so that they can earn the required money. If farmers cannot sell products for profitable financial return, then it usually means that they lose money. This is because growing costs the farmer money and marketing is where they make money.

Enabling growers in the developing world to access the higher value markets in the developed

world is an important part of the many strategies that are needed to achieve this.

Trade is thus better than aid in ensuring food and income security. It has the potential of being an effective poverty reduction strategy.

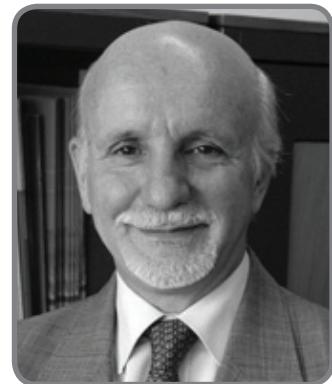
The current burden of multiple organic regulations is making trade more difficult. The higher and multiple compliance costs means that the international trade in organic products will favour the larger producers and certifiers with the economies of scale over the smaller producers who will benefit most from these markets.

The GOMA project, where IFOAM is working with UNCTAD and FAO, has been making a good start at ensuring fairness in market access to make it easier for all to be involved in the trade of organic products.

## WELCOME ADDRESS

### MR. GUILLERMO VALLES

DIRECTOR, DIVISION ON INTERNATIONAL TRADE IN GOODS AND SERVICES, AND COMMODITIES, UNCTAD



### SPEAKER'S BIO

Guillermo Valles is the Director of UNCTAD's Division on International Trade in Goods and Services, and Commodities. He has extensive knowledge and experience in trade policy issues developed during 35 years of diplomatic service for the Government of Uruguay. He graduated from the School of Law of the Universidad de la República in Uruguay with the title of Doctor in Diplomacy. He participated in numerous bilateral and multilateral negotiations including those leading to the establishment of MERCOSUR, the conclusion of the Uruguay Round and the launching of the Mercosur-EU trade talks. From 2004 until his appointment at UNCTAD in July 2011, he served as Uruguayan Ambassador to the United Nations, World Trade Organization and other international organizations in Geneva. He also served for several years as the Chair of the Rules Negotiating Group for the Doha Round.

### ABSTRACT

It is a great pleasure to welcome you to the Global Organic Market Access Conference. It is a historic moment, marking a decade of constructive and continuous cooperation among our three organizations.

UNCTAD is the focal point for development and trade in the United Nations. The theme of our upcoming quadrennial conference, UNCTAD XII in Doha in April this year, is "Development-centred globalization: Towards inclusive and sustainable growth and development." Global organic market access has a key role to play in achieving this goal. Organic agriculture offers a whole array of economic, social, environmental and cultural benefits. To fully reap these benefits, however, we must let the sector grow by letting the organic products flow.

In all sectors of trade, there is always the temptation and pressure from some domestic interest groups to protect domestic producers with trade barriers, despite the compelling overall benefits from open societies which include open trade. Worldwide as tariffs are coming down, non-tariff measures such as technical standards and conformity assessment systems play an increasingly important potentially distorting role. Harmonization and mutual recognition are clearly the way to move forward. Yet the world has not so many examples to draw upon in this field. Therefore the pioneering work you have been carrying out in the organic sector offers lessons and hope for participants in many other sectors in the world.

## KEYNOTE SPEECH: ENHANCING OPPORTUNITIES AND INCOMES

### MR. HARSHA V. SINGH

DEPUTY DIRECTOR-GENERAL, WORLD TRADE ORGANIZATION (WTO)

#### SPEAKER'S BIO

Dr. Singh currently oversees the Agriculture and Commodities Division, Trade and Environment Division and Trade in Services Division at the WTO. Prior to accepting his current post in 2005, he worked for eight years with India's telecom regulator, Trai, principally on tariffs. During this time, Dr. Singh was also a member of several High Level WTO Committees and served as Chair of several high-profile WTO dispute settlement panels. In prior roles with GATT (the General Agreement on Tariffs and Trade) and the WTO, he worked over 12 years in the Office of the Director-General, the Committee on Trade and Environment (CTE), Technical Barriers to Trade (TBT), Rules, and Trade Policy Review Divisions, and the Economic Research and Analysis Unit.



Dr. Singh completed his Master's in Economics from Delhi in 1979 and then attended the University of Oxford (U.K.) as a Rhodes Scholar to obtain his M.Phil. and Ph.D. in Economics.

#### ABSTRACT

The WTO is relevant to trade in organic products. The WTO system is aimed at reducing unnecessary trade barriers and maintaining a fair, stable and predictable international trading system. Measures related to organic agriculture have been discussed in the WTO context, particularly in the Committees on TBT and SPS (sanitary and phytosanitary measures) and the CTE. This is part of the WTO's regular work – where the disciplines of the TBT and SPS Agreements in particular are there to ensure that unnecessary barriers to trade do not arise. Harmonization and the use of international standards are particularly important in this respect – as are efforts to harmonize regionally and to achieve mutual recognition agreements. The area of non-tariff measures and particularly the topics of regulations and standards, and their effect on trade, is both technical and complex. Difficulties that producers face because of, for example, duplicative testing requirements, unrecognized certificates or laboratories that are not recognized because of lack of accreditation – all this counts in a global market. It is important that the multilateral trading system is strong and relevant, so as to deal with evolving concerns of this nature in an ever more interconnected world. Indeed, the work of the ITF and GOMA on the development of practical tools for equivalence, both in standards and conformity assessment, as well as facilitation of regional harmonization of standards can be seen as an innovative model of practical implementation of TBT objectives on harmonization and equivalence. This work could contribute to lowering trade barriers in the organic sector and lightening the challenges faced by developing countries' producers. To let the good products flow in today's world, it is very important that trade flows in general under a fair, stable and predictable multilateral trading system.

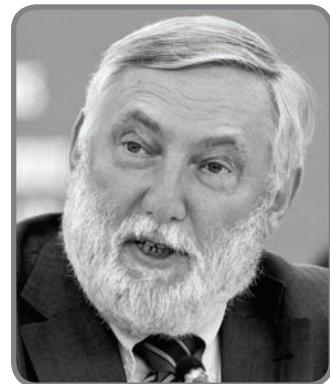
## KEYNOTE SPEECH: THE ROLE OF ORGANIC FARMING IN OUR SOCIETIES

### MR. FRANZ FISCHLER

PRESIDENT, ECO SOCIAL FORUM EUROPE

#### SPEAKER'S BIO

Franz Fischler, former Commissioner for Agriculture, Rural Development and Fisheries of the European Union, has been the President of the Eco-Social Forum Europe since December 2004. He also runs a consultancy business and is a lecturer in high demand. Dr. Fischler was recently short-listed for Director-General of the Food and Agriculture Organization (FAO).



From 1995 to 2004, in the role of EU Commissioner, Dr. Fischler's accomplishments included: managing the BSE crisis, completing Agenda 2000, and reforming various agriculture and fisheries policies, relating to the vegetable and fruit sectors, and olive and wine trade regulations. Dr. Fischler also served as the Austrian Federal Minister for Agriculture and Forestry (from 1989 – 1994), where he led the negotiations on agricultural issues for Austria's accession to the European Union.

A native of Tyrol, Austria, Dr. Fischler holds a Ph.D. from the University of Natural Resources and Life Sciences in Vienna and began his career in the extension service.

#### ABSTRACT

Austria – a country with more than 15% organic production – can offer many lessons for promoting organic in industrialized countries.

There is no doubt that organic food markets in the industrial world, like all the other food markets, are demand driven. The success of organic food thus depends on good marketing and intensive market penetration. It is of utmost importance that market outlets are not limited to direct sales, farmer's markets and reform stores. Supermarket chains, too, must offer a wide variety of organic products.

The prices for organic food can and should be higher than prices of standard products, but within limits. On the supply side, the most important drivers of organic food production are production chains that ensure organic standards are guaranteed from the stable to the table.

However, to produce organically is still a challenge, because organic is much more than the absence of mineral fertilizers, pesticides and GMOs. Farmers must not only be very well educated and trained, but have a good understanding of nature and believe in the importance of sustainability and in a more balanced world. This is where the interests of producers and consumers overlap.

Climate change, increasingly unpredictable natural cycles, enormous amounts of waste, water scarcity and food insecurities are critical challenges, and we must ring the alarm bell to raise awareness.

The organic farming sector must not only produce healthy food and provide a good environment, it must also contribute a more sustainable and balanced economy and lifestyle.

Therefore the concept of organic production has to include short distribution channels, the use of renewable energy, animal friendly husbandry, sensitive processing methods, better education and advice about healthy nutrition and sustainable lifestyles. In order to encourage more knowledge-based agriculture, we need investment in research and development in the organic sector, to rethink our school programs and to steer a broad political debate.

The more we develop organic technologies in agriculture that make production less vulnerable, the more we can also contribute to solving problems in developing countries. We should think about the 500 million subsistence farmers in the world and how we can help them to reduce their risk of hunger.

Finally, organic production must be integrated into holistic rural development concepts, because organic production also includes the closing of natural cycles, sustainable economies, protecting biodiversity, the maintenance of attractive manmade landscapes and many other things.

Finally, all these activities cannot remain unpaid. Our societies must understand that, not only does food have a price, but products and services related to food production also need to be adequately compensated. We should think about better ways to establish and expand markets. But until this becomes a reality, public support must be continued.

Organic producers and consumers have a pioneer role here; they are ambassadors and advocates that a more balanced world can be achieved.

# 10 YEARS BACK AND 10 YEARS FORWARD

## PAST (2002): THE STARTING POINT AND THE ISSUES

### MR. DAVID CRUCEFIX

EXECUTIVE DIRECTOR (BUSINESS)  
INTERNATIONAL ORGANIC ACCREDITATION SERVICE

### SPEAKER'S BIO

An agronomist and plant pathologist by training, David Crucefix has worked with the International Organic Accreditation Service (IOAS) since 2000. Previously Assistant Executive Director, last year he was appointed Joint Executive Director. Alongside his work at IOAS, he contributed to the early background and strategy papers of the ITF. He previously worked in organic inspection and certification in Europe and before that as a technical advisor to horticultural projects in the eastern Caribbean. He lives with his family in rural, northeastern Spain.



### ABSTRACT

This presentation aims to remind us of the status of the regulation of international trade in products of organic agriculture at the point at which the initiative on harmonization and equivalence under the ITF, and subsequently GOMA, commenced back in 2002. In particular it focuses on explaining the issues that triggered the work over the last ten years. Subsequent presentations by Nadia Scialabba and Gunnar Rundgren will explore the initiatives taken, the position we are in now and what the future holds.

A brief and very general history of the organic movement and its regulation up until 2002 will be provided as background.

At the time of the first harmonization conference in 2002, there were two international benchmark guidelines for organic agriculture, 32 implemented national regulations and a further 24 had either been finalized but not implemented or had draft legislation in place. About 350 certification bodies of various types involved in inspection and certification of organic projects were working in about 150 countries. The major import markets of the USA, Europe and Japan all had mechanisms to regulate imports. The longest established regulation of Europe, the now superseded (EEC) 2092/91, had been in place for ten years and had widely influenced national regulations of exporting countries and the structure and content of the intergovernmental Codex international guidelines. Despite the European regulation having in place a mechanism for recognizing country equivalence, over 90% of all organic products were known to be entering member states through the 'back door', based on the infamous policy of importer authorization. The relatively new US and Japanese rules also included mechanisms for country equivalence but were only just beginning to come into effect.

At the same time the private sector guarantee of IFOAM accreditation was undergoing its most rapid expansion in its history, partly fuelled by interest from certain retail operations in distinguishing themselves as providing a solid guarantee of integrity to consumers.

The largely non-integrated public and private sector rules and conformity assessment systems were viewed in 2002 as turning into a monster and a major obstacle to what was at that time a rapidly developing organic sector. Hundreds of private sector and government standards, burgeoning regulation and national and international models of accreditation – coupled with a lack of cooperation, harmonization and mutual recognition – threatened organic livelihoods, especially in developing countries. An organic export operation with markets in several countries was likely to have two or three certification bodies supervising them, imposing different requirements, which in turn were supervised by several accreditation bodies or government authorities. The imposition of organic standards constructed for a far-off import market – and the need for producers to apply not just one of these, but several, all at considerable cost – was the frequently quoted frustration that perhaps pushed us into taking action.

Ten years ago at BioFach, we started to think in a collaborative way about how we could change this situation for the better.

## PRESENT (2012): CURRENT SITUATION OF ORGANIC MARKET ACCESS

### MS. NADIA EL-HAGE SCIALABBA

SENIOR OFFICER, FAO

#### SPEAKER'S BIO

Nadia El-Hage Scialabba, trained in Environmental Studies at the University of Charleston (USA), is a Senior Officer of the Food and Agriculture Organization of the United Nations (FAO) in Rome, Italy. Since 1985, she has contributed to the FAO Fisheries, Agriculture, Sustainable Development and now Environment Departments by integrating environmental considerations into the technical and policy work of the FAO at the global and national levels. Ms. Scialabba is currently responsible for mobilizing the food and agriculture sector for Rio+20 and the green economy. Since 1990, Ms. Scialabba has been leading the FAO cross-sectorial program on organic agriculture.



#### ABSTRACT

In the past 10 years, we have been regulating, more often than not, before a robust growth of the domestic organic sector took place, and compliance systems of all sorts have been mushrooming. Compliance to different market requirements through multiple and costly third-party certification complicated smallholder participation in international markets. Participatory Guarantee Systems emerged and are increasingly being recognized (e.g. Brazil, India), with a view to decrease costs and the commodification of producers and their produce. At the international level, people like us came together (through the ITF - International Task Force on Harmonization and Equivalence of Organic Regulations) to develop normative tools for facilitating trade flows: we celebrated cooperation and developed tools for assessing the equivalency of organic standards (EquiTool - Guide for Assessing Equivalence of Organic Standards and Technical Regulations) and the performance requirements for certification (IROCB - International Requirements for Organic Certification Bodies). We created tools to act at local, national and international levels but possessing tools is only the beginning of implementation, whereby there is need to learn to use the tools and more importantly, adjust them to constant change. The GOMA objective is precisely about this: implementation.

Today, we are indeed in the “enforcement age”, a term first used by Kathleen Merrigan, USDA Deputy-Secretary, as she talked about the National Organic Program and organic trade. Enforcement is about adherence to agreed standards and prevention of fraudulent practices. It is uplifting to observe that, rather than policing, a trend of good governance is being forged in the global organic sector, based on the rule of law, participation, fairness and self-evaluation. It is in this spirit that regional standards are developing in East Africa, East/Southeast/South Asia, Central American and Pacific countries. Cooperation between public regulating entities and private operators has become more the standard than the rule in the

organic sector. Good governance, regionalism and cooperation pave the way for effective equivalency and harmonization, although these are still to be seen in practice.

Nowadays as in 2002, IFOAM and the Codex Alimentarius Commission offer the two international benchmarks for organic agriculture; while kept by and servicing two distinct constituencies (i.e. governments and private operators), they generally converge and do not pose particular trade problems. In a decade, the number of countries with an organic regulation has almost doubled, with today a total of 110 countries implementing or developing a regulation; it is interesting to note that more than half of these countries (64) are today participating in regional organic standards throughout all 5 continents. The traditional import markets of the USA, Europe and Japan still register the lion's share of global organic sales (US\$ 55 billion in 2009) but Asian import markets (Arabic Gulf, South Asia and East Asia) are very rapidly expanding. Many emerging markets, such as China, India, Brazil, and soon South Korea, have organic import requirements. The introduction of regulations seems to have stimulated the growth of private certification bodies, which also grew in a decade by 50%, with today a total of 549 certification bodies based in 85 countries. Over 121 certification bodies have private organic standards, which often extend beyond the crop and livestock commodities to include fisheries, cosmetics and social justice. A few certification bodies work in most continents and organic certification operations are found in almost all countries of the world. It is in this context of expanding regulations and conformity assessment structures that GOMA expanded its guidance document (i.e. EquiTool) into a practical tool for equivalency assessment (i.e. COROS – Common Organic Regularory Objectives). Rather than side-by-side comparisons, seeking multilateral equivalence has become a necessity: in fact, multilateral agreements are now starting to be considered, such as in Asia.

The organic community has always been progressive, claiming nature and social justice throughout the food system. Compliance systems have advocated complementary roles for governments and private actors. But market expansion has unavoidably brought market characteristics, i.e. commodification and competition. Standardization sacrifices quality and profit deters diligent efforts, to the detriment of smallholders and consumers. In addition, challenges such as climate change have led to new labels, which also appeal to consumers and flood markets. As a result, the main challenge of organic system's credibility is further compounded with viability issues. Consumers are beginning to ask: "Is it really organic?" and "Is carbon-neutral more sustainable?" "Should every additional claim (e.g. GlobalGap for safety) require re-certification of the same products?" It is uncertain how much longer producers, operators and consumers will cope with increasing complexity.

The challenge of the future will be keeping things simple in a world of diversity. This is precisely COROS' objective: seeking integrity of the end product by referring to 'common objectives' - which can be reached in different ways, according to specific country circumstances. COROS future updates will need to consider sustainability requirements not yet considered in organic standards. The age of equivalency is at the door.

## FUTURE: WHAT WILL HAPPEN? WHAT SHOULD HAPPEN?

### MR. GUNNAR RUNDGREN

PUBLISHER OF *THE ORGANIC STANDARD*

#### SPEAKER'S BIO

Gunnar Rundgren has worked with most parts of the organic farmer sector – from farming to policy – since 1977. Currently he is a Senior Consultant at Grolink AB ([www.grolink.se](http://www.grolink.se)) – a consultancy company engaged in certification development, policy development, project development, marketing strategies and international training programs – mainly targeting developing countries. He is publisher of *The Organic Standard* ([www.organicstandard.com](http://www.organicstandard.com)) - a specialized journal for organic standards and certification.



He is the Initiator of several organizations for organic agriculture in Sweden, including KRAV – the certification program where he was the director for the first eight years. In addition, he served as the first President of the IFOAM Accreditation Program Board (now the IOAS) from 1992-1997, was on the World Board in 1998 and was IFOAM President from 2000-2005.

#### ABSTRACT

In 10 years the main questions relating to the organic sector, in particular harmonization and equivalence efforts, could be quite different from today. Drivers of this change could originate from inside and outside the sector.

#### Triggers from the outside

Things that could rock the boat are major food and energy crises, given their implication for agriculture policies. A major food or energy crisis would most likely strengthen localization efforts as well as trigger more protectionist general policies, and this would certainly affect organic and make facilitation of trade a less appealing proposition.

#### Competition with other concepts

New health or Corporate Social Responsibility (CSR) concepts are emerging that could become successful in competing with organic. The latter could drive organic either into exclusivity or (further) mainstream it.

### **Drivers from within**

Several internal factors will have an influence on the future of organic guarantee systems:

- Growing fatigue regarding increasing procedures and limitations
- Seeking of alternative assurance systems (for example, PGS)
- Development of IT tools for monitoring of trade flows
- Convergence of standards due to the lock-in effects of agreements
- More differentiation between organic (again) because of competition within.

### **Needed changes**

Generally speaking, the organic sector should:

- View organic regulation as a tool to realize a vision of organic
- Implement supportive policies rather than restrictive regulations
- Look at organic as an innovation system rather than a set of fixed practices

For the regulations and certification process, the following changes are needed:

- Increased transparency
- More risk orientation
- Development of joint systems for trade flow monitoring

# DEVELOPING COUNTRIES AND THE WORLD ORGANIC MARKET

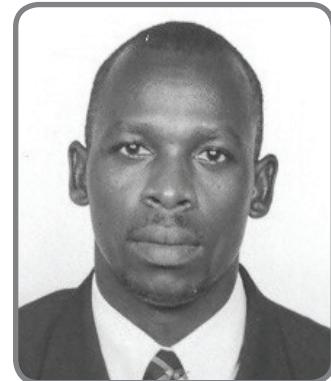
## DEVELOPMENT OF EAST AFRICAN ORGANIC PRODUCTS STANDARDS (EAOPS)

**MR. DAVID EBOKU**

UGANDA BUREAU OF STANDARDS

### SPEAKER'S BIO

David Eboku is a food scientist employed by the Uganda National Bureau of Standards (UNBS) as a Principal Standards Officer and Head of the Division for the Food and Agricultural Standards, where he focuses on the development of standards for food quality and safety and proving information on standards, policy and regulatory issues in Uganda. In his 12 years at UNBS, he has worked with Uganda's interests on national, regional and international standardization in food and agriculture including organic agriculture. He was a member of the International Task Force on harmonisation and equivalence in organic agriculture and once served as a member of the IFOAM Criteria Committee.



### ABSTRACT

The East African Community (EAC) is a regional intergovernmental organization of the Republics of Burundi, Kenya, Rwanda, Tanzania and Uganda, established by a treaty in 1999 and headquartered in Arusha, Tanzania. The EAC countries have a combined area of 1.82 million km<sup>2</sup>, GDP of US\$ 74.5 Billion and population of over 133 million people who share history, language, culture and infrastructure.

A Protocol and an Act provide for common standards in health, food security and environment protection. Agriculture constitutes a major livelihood activity, employing mostly small-scale, smallholder farmers. Organic agriculture offers opportunities for small-scale farmers to practice sustainable production improving productivity, outputs and access to markets. However, low awareness of organic agriculture; lack of trust in the integrity of organic products; market demand in excess of supply; and limitations associated with foreign certification systems have greatly hindered progress in the sector.

Numerous private associations, NGOs and individual producers responded by setting standards, leading to proliferation of standards and assurance systems within the EAC. Harmonization of the standards leading to EAOPS was therefore a remarkable output.

Developing EAOPS took a public-private partnership through the establishment of a Regional

Standards Technical Working Group composed of representatives from the National Bureau of Standards, certification bodies, National Organic Agricultural Movements, the East African Business Council and other experts. The process was facilitated through IFOAM, UNCTAD and UNEP projects.

A framework defining ownership and steps for developing the standard was developed. A draft based on Codex, IFOAM and available local standards was used to undertake several consultations at the national level and a field testing exercise before the final draft was produced. The draft standard was submitted to the EAC Secretariat for a formal approval process. The standard was approved by the East African Standards Committee and the EAC Council of Ministers.

The EAC gazetted the standard as an East African Standards in 2007 and is used in all EAC without any modification. The standard provides a reference for national legislation, a tool for certification and recognition of the EAC organic products and serves as a means for raising awareness, training and education among the population. It is used for certification for local and international markets. Ugocert® has applied for approval as a foreign certifier for the EU market based on the EAOPS. Future amendments to this standard will be routed through the EAC systems and Partner State legislation will adopt this by reference.

The EAOPS has improved understanding and knowledge, as well as standardized organic processes and improved volumes, and finally increased recognition and market access of/for smallholder producers. The resulting increase in incomes means a better livelihood and environment – the ultimate benefit of organic agriculture.

The EAC now needs to upgrade policy and legislative framework in the region to further strengthen organic agriculture, including inspection and certification systems, and continue to maintain the text and widen the scope of the standards as technology and knowledge improve. The EAOPS also requires further recognition internationally for greater global market access and a bountiful supply for consumers worldwide of the delicious organic products from the rich natural resources of East Africa resulting in a win-win-win situation everywhere.

## DEVELOPMENT OF A PACIFIC ORGANIC GUARANTEE SYSTEM (POGS)

### MS. KAREN MAPUSUA

POETCOM COORDINATING OFFICER

#### SPEAKER'S BIO

Karen is the Coordinating Officer for the Pacific Organic and Ethical Trade Community (POETCom) based in the Secretariat of the Pacific Community, Suva Fiji. For the past six years she has been engaged in the Pacific organic movement through the organization Women in Business Development in Samoa (WIBDIS). This has included managing WIBDIS organic programs, developing Internal Control Systems (ICS), and provision of training in ICS in the region. She was extensively involved in developing the Pacific Organic Standard (POS) and the Strategy for Organic Development in the Pacific Islands region and has lobbied successfully for organic agriculture to be prioritized in the agricultural agenda of the Pacific Island states.



Karen's background includes teaching, NGO management and capacity building, and peacekeeping. She holds degrees in history/politics and management and she has a small organic farm in Samoa.

#### ABSTRACT

- IFAD (the International Fund for Agricultural Development) funded an IFOAM initiative with ICEA (the Ethical and Environmental Certification Institute) in 2007 to develop the Pacific Organic Standard (POS). Pacific stakeholders felt there was not sufficient local ownership or consultation and therefore worked with IFOAM and the Secretariat of the Pacific Community (SPC) to develop a separate, parallel but linked project to fill this gap.
- Public/private partnership has been strong through the Pacific Organic and Ethical Trade Community (POETCom), a stakeholder-driven group housed in the SPC with political support through the Pacific High Level Organic Group.
- The POS is a public standard, officially accepted and endorsed by the Ministers of Agriculture of the region in 2008. French Polynesia recognizes the POS in law. The Pacific Organic Standard is the production standard for two Participatory Guarantee Systems (PGS).
- Key challenges for the future include: 1) the range of capacity, including a variety of regulatory systems across the region, 2) developing partnerships and capacity for certification and 3) building capacity to implement and manage a POGS.
- Anticipated benefits include improved access to certification; expansion of PGS; joint supply to markets; improved regional coordination and cooperation; and

culturally and agriculturally appropriate standards.

- A Pacific Organic Guarantee System is now to be developed. The SPC and POETCom will seek the most appropriate structure, according to the type of actors seeking certification, market requirements and available resources and capacities. The POGS will foster coherence and cooperation for organic agriculture in the Pacific, including expanding the base of certified producers, developing local markets, as well as contributing to a Pacific Organic image for export marketing.

## DEVELOPMENT OF ASIAN REGIONAL ORGANIC STANDARD (AROS)

### MS. LARA VIVAS

BUREAU OF AGRICULTURE AND FISHERIES PRODUCT STANDARDS  
Department of Agriculture, Philippines



### SPEAKER'S BIO

Ms. Lara Vivas has a B.S. in Food Technology from the University of the Philippines and currently works as a Senior Science Research Specialist for the Bureau of Agriculture and Fisheries Product Standards of the Department of Agriculture in the Philippines. She has been a member of the International Task Force on Harmonization and Equivalence for Organic Agriculture (ITF) and was a recipient of the SIDA International Training Course on Organic Agriculture Development in 2009. Ms. Vivas is also part of the drafting group for the Asian Regional Organic Standards (AROS).

### ABSTRACT

The initiative of developing the Asian Regional Organic Standards (AROS) was conceptualized during the GOMA Workshop on Harmonization and Equivalence for Organic Agriculture in Asia held in China in 2010. Consistent with the aim of the International Task Force on Harmonization and Equivalence (ITF) to eliminate trade barriers and facilitate flow of organic products around the world, the GOMA Workshop introduced three mechanisms to facilitate trade: big doors, small doors and windows. Considered the big door strategy, the creation of a harmonized standard was seen as a means to open the door for recognition of organic systems among governments.

Consequently, at the first meeting of the ASIA Working Group (WG) held in Mumbai, the protocol for cooperation on Organic Labeling and Trade in Asia was confirmed. The protocol identified the objectives, scope and strategy for developing the AROS. The objectives of the AROS were agreed to be:

- Facilitation of intra and inter-regional market access of organic products in the Asian region;
- Promotion of regional cooperation and exchange of information and enhancement of private and public sector dialogues; and
- Promotion of the global recognition of the regional standards as a long-term goal.

Guiding principles in the development process were also agreed upon, namely that the AROS would be:

- Inclusive of all or most countries in the East, South-East and South Asia Region;
- Based on common regional requirements; and

- Developed through a highly participative process.

Technical assistance was provided by the GOMA project via a consultant tasked to create the initial draft of the AROS and put in order comments generated during the consultations. A Drafting Group was also established to elaborate and discuss the provisions in the AROS. The drafting group held two meetings, first in the Philippines and then in Laos. The decisions of the group included:

- a) following the format of the IFOAM Basic Standards;
- b) limiting the scope to crops, wild harvesting, processing and labeling;
- c) using the COROS as the main guidance document and harmonizing with international standards/guidelines.

One of the issues discussed was the recognition of food safety requirements in the AROS. The group agreed to note that compliance with all relevant national and regional regulations on food safety takes precedence over the requirements of the standards. Several issues were also deliberated, with three significant issues discussed at length, namely:

- a) Hydroponic production. It was agreed that the production of terrestrial crops should be soil based. However, the option not to mention the topic was suggested.
- b) Human Waste. An agreement to add explicit restrictions for use of human waste in organic products was reached during the WG meeting in Seoul.
- c) Conversion. The proposal to shorten the conversion period was suggested. However, there was no consensus among the group and it was suggested to include “general language” on shortening or lengthening the conversion period “for cause”.

The WG also proposed options for future ownership of the AROS once it is adopted. One of the options is to have it adopted as a regional standard in the ASEAN (Association of Southeast Asian Nations) or ASEAN+3. Similarly, the option to have the AROS adopted under the South Asian Association for Regional Cooperation (SAARC) was recommended.

## HOW ORGANIC PRODUCERS FROM THE SOUTH CAN GET BETTER MARKET ACCESS IN DEVELOPED COUNTRIES

### MR. JAVIER HURTADO MERCADO

IRUPANA, ANDEAN ORGANIC FOOD S.A.



### SPEAKER'S BIO

- Pioneer of the organic movement since 1985 in Bolivia
- Founder of "Irupana Alimentos Naturales", a private initiative to develop markets for the small Indian farmers of Bolivia whose production has been organic since ancient times
- Political activist of the Bolivian left and indigenous movement since 1976 (jailed and exiled to Germany in 1980)
- Ph.D. in Sociology at the *Latein Amerika Institut* of the *Freie Universität Berlin*, 1984
- Minister of Industry and Senator under the current President Evo Morales 2008-2010 (Resignation May 2010)
- Distinguished as a Social Entrepreneur by the Schwab Foundation of the World Economic Forum 2000-07
- President / Executive Director of the Irupana Andean Organic Food S. A.

### ABSTRACT

Developing countries and smallholders committed to organic production and trade are repeating the old story of unequal exchange in conventional capitalist markets.

This also creates an environmental problem, because maintaining the expensive transport of raw materials causes more pollution through carbon emissions from ships, trucks, airplanes, trains and other means of transport. Besides, not permitting the industrial transformation of those raw materials into high added-value products, means a lack of stable employment for the population in those developing countries. Even fair-trade prices do not compensate for this failure of the market.

The major obstacles to a *truly* fair exchange between developing and developed countries are:

1. Trade conditions and agreements, protectionist laws, tariffs, taxes and licenses of import and trade.
2. The fact that quality standards of production in developing countries are not at the level demanded in developed countries.
3. The lack of suitable technology to develop a more complex food industry of ready products in developing countries.
4. The lack of responsible investors to fund this type of social entrepreneurship.

Our local and regional markets are more suitable for small organic niche markets and natural non-certified products. There needs to be a greater importance placed on state subsidies for healthy food consumption in the middle class and poorer population.

How can international cooperation help to improve this market access?

A combination of technical skills programs and political awareness and movements are needed.

## DEVELOPING ORGANIC TRADE IN ASIA: THE CHALLENGES

### MR. VITOON PANYAKUL

GREENNET

#### SPEAKER'S BIO

Vitoon R. Panyakul has been working with the Thai organic movement since 1991. During his first few years, he worked as a researcher for the Local Development Institute, responsible for developing a national organic agriculture program. In 1994, Vitoon with his colleagues started Green Net Coop, the first national organic and fair-trade food distributor and exporter, where he served as Executive Director until 2002. In 2000, he founded the Earth Net Foundation, a national non-profit organization working to promote organic and fair-trade development in the region where he serves as the Director of Organic Agriculture Programme up until now. Since 2002, he has been working as a partner consultant with Grolink, an international consultancy service based in Sweden, where he has begun to work extensively with local groups in Asia to provide technical assistance to their organic and fair-trade projects.



In 1995, Vitoon got involved with the establishment of the national Organic Agriculture Certification Thailand (ACT), the first local certification body in the country, and served as the ACT General Manager until December 1999. In 1999, Vitoon joined the International Organic Accreditation Service, an international accreditation body set up by IFOAM. Currently, he is the member of the Board of Directors and Accreditation Committee of the IOAS.

Vitoon is also involved in national organic movement where he help to found the Thai Organic Trader Association (TOTAL) in 2006 and served as the TOTAL General Secretary. In 2011, he was elected as the TOTAL Chairperson.

#### ABSTRACT

- Organic agriculture developments in Asia are market-driven and mostly export-oriented with the exception of industrialized food importing countries, such as Japan, Korea, Singapore and Malaysia.
- During the initial growth period, local organic markets were slow to develop. But now, the markets are expanding quite rapidly due to increasing health concerns (especially driven by food scandals).
- Regional cooperation started over 10 years ago in the private sectors, first among indigenous certification bodies and later among organic trader associations. Such cooperation has helped to build competencies among local CBs and provides market access mainly outside the region, as well as within the region, especially when stronger cooperation between national organic trader associations is developed.

- National and regional markets could be further developed if more efficient extension mechanisms were developed to support small-scale farmer conversion as grower groups together with effective supply chain management. Local enterprises interested in organizing organic projects need comprehensive incubation programs with 6-12 months of coaching support, not 2-3 day seminars.
- Local market promotions are to be organized in a more professional manner, starting from analysis of consumer perception and knowledge gap, developing clear and unified messages, integrated communication channels, and a more long-term approach, and taking into consideration supply conditions. Market promotion can be better managed by national trader associations.
- A single organic seal within the country or region would make market promotion easier. A single seal can be based on harmonized national or private standards, or equivalent recognition of various national standards.

## DEVELOPING COUNTRIES AND WORLD ORGANIC MARKET: THE OPPORTUNITY FOR AFRICA

### MR. MOSES MUWANGA

NOGAMU

#### SPEAKER'S BIO

Mr. Muwanga is the Chief Executive Officer and one of the founding members of the National Organic Agricultural Movement of Uganda (NOGAMU). He holds a Master's Degree in Post-harvest Horticulture from the Natural Resources Institute (NRI) of the University of Greenwich, United Kingdom, a Master's Degree in Management Studies from the Uganda Management Institute, Kampala, Uganda, and a Bachelor of Science Degree in Agriculture from Makerere University, Kampala, Uganda. Mr. Muwanga has more than 15 years' experience in the organic and horticultural production and export industry, he has worked with and provided business support services to smallholder producers and exporters in the organic and horticultural sectors in Uganda and the rest of East Africa. His experience encompasses: farmer mobilization and organisation for collective marketing, Food Safety and designing post-harvest handling and marketing systems for organic and horticultural export schemes, developing customized Internal Control Systems in Out-grower schemes and cooperatives for Organic and other quality systems, as well as development of standards, value chain development and overall promotion and marketing of organic and horticultural products from Africa. Mr. Muwanga has also assisted and offered advice in the setting up and strengthening of other National Organic Movements (NOAMs) in a number of African countries.



#### ABSTRACT

The last 10 years has witnessed commendable growth in the trade of organic products from Africa. This has been attributed to the overall increase in global demand for organic products, but also the ecological suitability for organic production that Africa has. In countries like Uganda, exports alone in organic products have increased by almost 1100% in the last 8 years, from under US\$ 3 million in 2002, to over US\$ 37 million by the end of 2010. A similar trend is visible in many other African countries. The contribution of Africa to international organic trade could have been much higher than it is today, but despite the natural comparative advantage Africa has for organic production, several limitations/challenges still remain. These include, but are not limited to:

- The scattered nature of African smallholder farmers, who constitute more than 90% of the farming communities
- Smallholder farmers' and other operators' limited capacity to comply with national, regional and international standards in the market
- Insufficient financing both at production, processing and trade levels, which hinders the desired response to demand coming from the markets

These factors are coupled with the limited cooperation among African countries in addressing the common challenges, further compounding the problem. The development of the East African Organic Products Standards (EAOPS) in 2007 as a public private process ignited new efforts in bringing African stakeholders together in addressing market access challenges. In the East African region for example, the common standard and a common mark have eased the flow of products across borders and opened up a whole set of new opportunities for trade within the region. Moreover, there is now hope for a more firm discussion between the region and other trading blocks like the EU.

Addressing the challenges and exploring growing opportunities to stimulate and develop national and regional markets will require:

- Mobilizing and consolidating smallholder farmers for collective marketing to generate volumes and manage quality;
- Building on the cooperation laid by the development of the EAOPS and other sub-regional standards to consolidate the platform for increasing the capacity of smallholder producers and other operators to comply to standards and increase the flow of goods between regional borders;
- Improving access to trade and investment financing to stimulate scaling up of existing capacity and respond to increasing demand from the market.

# ENHANCING COOPERATION

## PUBLIC-PRIVATE COOPERATION TO FACILITATE MULTILATERAL EQUIVALENCE

### MR. MARKUS ARBENZ

IFOAM EXECUTIVE DIRECTOR

#### SPEAKER'S BIO

Before joining IFOAM in August 2009 as Executive Director, Markus Arbenz worked as the Director of Bio Suisse, the Federation of the Swiss Organic Farmers. He has six years of experience in Bhutan, Kyrgyzstan and Afghanistan with Helvetas, in collaboration with the Swiss and local Governments, the World Bank and IFAD (The International Fund for Agricultural Development). Prior to that, M. Arbenz was Director of the Foundation Pro Specie Rara for the safeguard of domestic animal and plant genetic resources.



### That's Organic - Worldwide.



Israel Organic Regulation

Japan Organic Regulation

OFDC Organic Certification Standard, China  
Hong Kong Organic Resource Center Standard, Hong Kong

IBOAA Organic Agriculture Standard, Israel  
Japan Organic & Natural Foods Association Organic Standard, Japan  
MASIPAG Organic Standards, The Philippines  
CONU Organic Standard, South Korea  
DCOK, LLC International Standards, South Korea  
GOAA International Standards, South Korea  
ACT Basic Standard, Thailand  
Vietnam PGS Standards, Vietnam



Tunisia Organic Regulation  
East African Organic Products Standard  
EnCert Organic Standards, Kenya  
Basic Norms of Organic Agriculture in Senegal, Senegal  
Afriso Standards for Organic Production, South Africa  
Green Growers Association Standard, South Africa  
Siyavuna Organic Standards, South Africa  
Organic Standards for Tancert, Tanzania  
Uganda Organic Standard, Uganda



Saudi Arabia Organic Regulation  
China Organic Regulation  
India Organic Regulation

Note: Applicant standards are marked in grey.



National Standard for Organic and Bio-Dynamic Produce, Australia  
New Zealand Organic Export Regulation  
Pacific Organic Standard, Pacific Community  
Australian Certified Organic Standard, Australia  
NASA Organic Standard, Australia  
AsureQuality Organic Standard, New Zealand  
BioGro Organic Standards, New Zealand



EU Organic Regulation

Switzerland Organic Regulation

Turkey Organic Regulation

Bio Suisse Standards, Switzerland  
Organska Kontrola Standards for production and processing, Bosnia and Herzegovina  
Biocyclic Standards, Cyprus  
Nature & Progrès Standards, France  
BioPark Guidelines for Organic Production and Processing, Germany  
Ecoland Standards for Organic Agriculture and Food Production, Germany  
Ecowellness Standard, Germany  
Gäa Private Standards, Germany  
Naturland Standards, Germany  
CCPB Global Standard, Italy  
Italian Organic Standard, Italy  
Krav Standard, Sweden



Argentina Organic Regulation  
Costa Rica Organic Regulation  
Argencert Organic Standard, Argentina

LETIS IFOAM Standard, Argentina

OIA Organic Standards, Argentina

Bolcert Organic Standard for Production and Handling, Bolivia

Guidelines for the IBD Quality Organic Standard, Brazil



Canada Organic Regulation

USA Organic Regulation

DOAM Organic Standards, Dominica

Red Mexicana de Tianguis y Mercados Orgánicos' Standard, Mexico

CCOF Global Market Access Standard, USA

Farm Verified Organic Requirements Manual, USA

NOFA Standards for Organic Land Care, USA

QCS Int. Program Standard Manual, USA

**THE FAMILY OF STANDARDS** contains all standards officially endorsed as organic by the Organic Movement, based on their equivalence with the Common Objectives and Requirements of Organic Standards. Both private standards and government regulations are admissible.

[www.ifoam.org/ogs](http://www.ifoam.org/ogs)

Family Standards Frame: February 3, 2012.

#### ABSTRACT

The world of organic standards and verification systems has become very complex – so complex that there is, to date, no comprehensive overview available. We know that there are certainly more than 100 organic standards in the world, used for organic certification. The number of certification bodies delivering organic certification is more than 500, and

there is an ever-increasing number of government organic regulations (currently around 60), many of which have started to require accreditation of all CBs (whether for domestic certification or imports) to their own program. The various pieces of this global organic guarantee puzzle are shared between the private sector and governments. Governments develop regulations and run most accreditation programs, while most certifiers and many organic standards and labels are privately run. The only two existing international organic accreditation programs (Global Organic System Accreditation and IFOAM accreditation) are also run by the private sector. It is therefore evident that efforts of harmonization and equivalence must involve public-private cooperation. This has been recognized and promoted for many years by the ITF and then the GOMA project.

IFOAM has recently set up the first scheme intended to become the comprehensive overview of organic standards globally: the IFOAM Family of Standards. The Family contains both government regulations and private standards. All standards in the Family are assessed against one single international reference: the COROS (Common Objectives and Requirements of Organic Standards). Assessments are available to the public. Assessments are done only once and can be used by all to fast-track their unilateral or bilateral equivalence decisions. But more importantly, this system provides the first ever framework for multilateral equivalence of standards available for both governments and the private sector. So far, equivalence has been approached at the government level through unilateral and bilateral agreements only, both of which have shown their limitations. With the right framework in place, there is now tremendous potential to scale up equivalence through a multilateral approach, with a vision of finally achieving regulated but streamlined market access for organic products globally.

On the verification side, an efficient equivalence approach is also required. The challenge is that, unlike for standards, there is no international mechanism yet to officially assess the quality and credibility of the various organic accreditation schemes. Some governments are currently forced to conduct their own analysis of other systems that they wish to recognize as equivalent, and this takes a lot of resources without necessarily generating full confidence. The organic movement has set-up through IFOAM an international organic accreditation program that has demonstrated its competence and relevance for 20 years now. Recently, this accreditation program was broadened by the creation of the Global Organic System Accreditation (GOSA), where the focus of assessment by the IOAS is placed on verification procedures only, and no longer restricted to CBs owning certain private standards. This means that the GOSA can now be applied to CBs certifying against government regulations. With its international relevance, GOSA can become another tool for governments to grant equivalence to foreign CBs, with a guarantee that they are properly supervised and without the need to review all other government accreditation requirements and systems.

In short, IFOAM has created the tools to facilitate implementation of its long-term vision: a world of organic guarantee where each product needs only to be certified against one credible organic standard, by one credible certifier, to be globally recognized as an organic product. Challenges to implementation and uptake now include raising awareness and educating the private and public sectors about the existence of the tools.

## SYSTEMS OF REGIONAL COOPERATION

### MR. ONG KUNG WAI

HUMUS CONSULTANCY

#### SPEAKER'S BIO

Besides his work as Grolink consultant and trainer, Kung Wai is Chairperson of Organic Alliance Malaysia, a membership based organization. Also Coordinator of Certification Alliance (CertAll), a collaboration of 10 certification bodies working in Asia. He was Commission Editor of The Organic Standard, a journal on organic standards, certification, accreditation and regulations for 7 years. After working with the International Organic Accreditation Service (IOAS) from 1996 to 2005, as a Board member and Vice President, Kung Wai joined the World Board of the International Federation of Organic Agriculture Movements (IFOAM) from 2005 to 2011. He represents IFOAM in the Steering Committee of GOMA.



#### ABSTRACT

Should every country and territory require compliance to their respective organic standards to trade within their borders, making regulatory authorities face the daunting task of negotiating recognition agreements with as many countries and territories as their operators would like to import from or export to? This is mission impossible.

Regional collaboration leading to harmonization and/or equivalence in standards and conformity assessment systems is seen as a way forward, as exemplified by the existence of the East African Organic Product Standards, the Pacific Organic Standard and the Central American common regulatory framework. The Asian Regional Organic Standard and multilateral recognition initiative is a work in progress.

The EU organic regulation, the first of its kind, sets an example for regional framework and recognition agreements with third countries. The EU regulation influenced development of organic regulations elsewhere for countries to negotiate market access to the EU. Besides fostering cooperation and efficiency, the Central American countries developed their harmonized regional organic standard and regulatory framework with the aim of placing themselves in a more favorable position to develop equivalence with the EU and USA.

Does regionalism present a pathway for a global solution? Use of existing regional platforms and trade agreements is certainly helpful to the process. Nevertheless, finding consensus within regions and with parties outside a region will remain challenging, especially in light of the varied states of development that may exist even within a region, e.g. countries and territories, represented in the GOMA Asia Working Group.

While export to the EU and USA remains the driver of transition to organic management in the majority of developing countries in Asia, domestic markets have taken off in big cities in the

region. Market growth is dependent on the import of ingredients and finished products not available locally or regionally. Development of organic production and labeling regulations, as well as regional collaboration, have to support domestic, regional development as well as facilitate international trade. In addition to adopting the EquiTool and IROCB as a basis for equivalence of standards and conformity assessment requirements, the Asia Working Group should take an inclusive approach to regional collaboration that can also cover arrangements for trade with parties outside the region. Specifically, it is recommended that:

- a.) Countries and territories where there is government supervision and/or certification but no formal accreditation may be a party to the regional recognition agreement based on peer review confirming effective implementation of certification and/or supervision, monitoring and enforcement activities.
- b.) ISO 17011 be adopted as reference norm for recognition of accreditation competence where applicable.
- c.) Peer review may be waived or reduced based on submission and acceptance of results of other similar peer review reports.

Imports from countries and territories not party to the regional recognition agreement may be accepted based on the following:

- i.) Certification under the supervision of a competent authority/accreditation body, party to the regional agreement.
- ii.) Certification under supervision of a competent authority/accreditation body not party to the regional agreement but deemed equivalent by parties to the regional agreement.
- iii.) Certification under direct supervision/accreditation of a joint committee established by parties to the regional agreement (long-term option).

## HOW GLOBAL ORGANIC MARKET ACCESS CAN BE ACCOMPLISHED

### MS. SOPHIA TWAROG

ECONOMIC AFFAIRS OFFICER, UNCTAD

#### SPEAKER'S BIO

Sophia Twarog has a Ph.D. in economics from Ohio State University. She has been working for the United Nations Conference on Trade and Development (UNCTAD) since 1993. The past 13 years she has worked on issues at the interface of trade, environment and development, including harnessing traditional knowledge for development and promoting production and trade in environmentally preferable products including organic agriculture. She has been particularly active in East Africa where she supported the development of the East African Organic Products Standard and work on removing technical barriers to trade in organic products through cooperation with FAO, IFOAM and UNEP. She is a member of the GOMA Steering Committee.



#### ABSTRACT

Global Organic Market Access can be achieved through commitment and concerted action towards a common goal: a vibrant global organic sector benefitting ever-increasing numbers of consumers, producers, other operators, and the natural environment. Organic production systems would meet key common objectives of organic systems and also be tailored to the local environmental, social and cultural conditions. Trade across systems would be based on harmonization and mutual recognition of standards and conformity assessment systems, using the Equitool and COROS for assessing standards and the IROCB to give the same level of confidence to consumers everywhere on integrity of the organic products.

We have seen great steps in this direction. Regional groups are creating common standards and regulations to facilitate intra-regional trade. It is critically important that these regional blocks are in turn open to inflows and outflows of organic products from other regions. Imports are needed to grow organic markets. Governments wishing to support their organic producers have dozens of much more effective ways of doing so than resorting to technical trade barriers, keeping others out. The UNCTAD-UNEP Best Practices for Organic Policy study has a long list, including extension services, research, education, market development and procurement.

Major markets—the United States, Canada, the European Union and Japan—have been putting the concept of equivalency into practice. The EU regulation fully incorporates equivalency into its system for approving organic imports. The US and Canada signed a landmark equivalency agreement with full system recognition including imports from third parties. The latter point is important to include in bilateral agreements so that they create rather than divert organic trade.

IFOAM is moving away from a compliance model to a family of standards based on the COROS. Public and private sector organic guarantee system regulators can make use of these assessments to facilitate their own decisions.

The burden of regulating and checking can be shared through transparency, cooperation, embracing diversity, and trust. The world needs a mountain of organic products, not a mountain of duplicative paperwork. Let us work together to let the good products grow and flow.

# OPENING OF CONFERENCE - DAY 2

## KEYNOTE SPEECH: AFRICAN UNION POLICIES CONNECTING ORGANIC AGRICULTURE TO POVERTY ALLEVIATION AND TRADE OPPORTUNITIES IN AFRICA

### H.E. Ms. TUMUSIIME RHODA PEACE

COMMISSIONER AGRICULTURE AND RURAL ECONOMY  
AFRICAN UNION COMMISSION  
Addis Ababa, Ethiopia

#### SPEAKER'S BIO

The portfolio of Her Excellency Tumusiime Rhoda Peace, the African Union's Commissioner for Rural Economy and Agriculture covers multiple sectors including crop agriculture, livestock, fisheries, forestry, land, water, environment, climate change, climate services, disaster risk reduction and rural development. She has worked with other pan-African institutions and development partner agencies in all those areas to secure and provide support to AU Member States, increasing responses in the framework of the Comprehensive African Agriculture Program (CAADP). She spearheaded the coordination of Africa's preparations for global climate change negotiations and the formulation of a continent-wide climate change strategy, and also steered Africa's preparation of the Disaster Risk Reduction Action Plan. Formerly, H.E. Tumusiime held senior positions in the Government of the Republic of Uganda, including Commissioner for Agriculture Planning and Commissioner for Women and Development. She holds a Bachelor's Degree in Agricultural Economics, a Master's Degree in Economics, Planning and Managing Rural Development, and a Diploma in Women and Development.



#### ABSTRACT

The Department of Rural Economy and Agriculture through the Comprehensive African Agricultural Development Program (CAADP) aims to strengthen the agricultural sector, rural economies and the environment in order to improve the livelihoods of the African people and ensure food security. Some of the Heads of State summit decisions and other Ministerial Declarations that support the implementation of CAADP include: (1) the Maputo summit 2003 Declaration calling for 10% of public expenditure on agricultural and rural development and for each African country to make a 6% annual growth in agriculture, (2) the 2006 Abuja Summit on Food Security to foster increased intra-African trade by promoting and protecting strategic commodities at the sub-regional and continental levels, (3) the 2011 Addis Ababa summit EX.CL/Dec.621(XVIII) decision on organic farming that calls on the African Union Commission and its New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency (NPCA) to (i) initiate and provide guidance for an African Union (AU)-led coalition of international partners on the establishment of an African organic farming platform based on available best practices and (ii) provide guidance in support of

the development of sustainable organic farming systems and improve seed quality.

Decision EX.CL/Dec.621(XVIII) is timely in the interest of smallholder agriculture where organic agriculture is the mainstay, and where the needs of families are most critical, requiring hands-on practical solutions to household food security and poverty eradication. In this context an action – the Ecological Organic Agriculture for Africa (EOA) initiative – has been developed to address six key requirements in organic agriculture: (1) research, training and extension, (2) information and communication, (3) value chain and market development (4) networking and partnerships, (5) supportive policies and programs, and (6) institutional capacity development. The policy pillar has the objective to achieve a paradigm shift towards EOA with Official Development Assistance (ODA) scaled up to 50%. This action plan was endorsed at the last organic conference in Nairobi in November 2011.

In underscoring the inadequate capacities in the value chain and market development of organic products from Africa this presentation revisits the Heads of States' decision and calls for the establishment of an African training center that will increase African capacities in certification. It also proposes the recognition and scaling-up of available organic standards such as the East African Organic Products Standards (EAOPS). This will reduce the cost of certification and increase the opportunities for our farmers to trade and access markets. The presentation concludes by recommending the establishment of a forward linkage of organic exports to importers in international markets and backward linkage to domestic markets and to household food security.

# ENHANCING MARKET ACCESS

## HOW DOMINANT MARKETS WORK TOWARDS MUTUAL RECOGNITION

### MR. JEAN-FRANÇOIS HULOT

EUROPEAN COMMISSION

#### SPEAKER'S BIO

Jean-François Hulot is the Head of the Organic Farming Unit at the European Commission in Brussels, where he has been employed since 1985 working on everything from agricultural markets management to rural development. In his current post (since 2007) he is Chair of the Regulatory Committee, composed of representatives of the 27 EU Member States and responsible for EU regulations. Over the past four years, Jean-François Hulot has ensured proper and timely revision of EU regulations, including expansions regarding yeast, aquaculture and wine, and he was central to the development of the new EU logo.



Convinced that equivalence must be the dominant concept behind organic trade, Jean-François Hulot has advocated for the recognition of the Japanese, Canadian and US standards by the EU. He also aims to have organic agriculture mainstreamed within the CAP (Common Agricultural Policy).

Jean-François was born in Bergerac, France in 1955. His academic background is in International Relations, Economy and Management, and Agronomy.

#### ABSTRACT

- The EU has a long and successful experience with equivalence.
- Equivalence recognition eliminates duplication of activities and increases global efficiency. Compliance is more costly for the exporters who have to bear the costs of certification imposed by the importing country. The EU gives priority to equivalence recognition of third countries or alternatively of control bodies.
- It is up to the exporting side to demonstrate equivalence with the EU regulation (reference to Codex guidelines). Equivalence recognition results from an analysis of regulations and control systems, which translates into EU law (lists).
- Consumer confidence is key to establishing win-win situations in trading organic products. The EU import certificate permits traceability of products and transfer of the guarantee attached to them. Electronic certification may help reduce the administrative burden in the future.
- Where countries have a sufficient administrative capacity, whether they are developed

or developing/emerging countries, the EU aims at establishing reciprocal equivalence arrangements. Reciprocity means that imported products can bear the organic logo of the country of destination on their packaging without re-certification.

- Mutual recognition is seen as the preferred tool to enhance market access. The EU favors cooperation with non-EU countries with a view toward generalizing equivalence and fighting fraud. In the long-term, convergence of standards and reduction of variance help developing countries access market opportunities more easily.
- For the least developed countries, the door will remain open through the direct recognition of equivalence of control bodies, until administrative capacity can be built up at the governmental level.
- The development of organic farming relies on development policies and on the willingness of local actors in the developing countries. A weakening of standards would be counterproductive. Equivalence is the appropriate tool, since it takes into account structural, climatic and local conditions of organic production.

## PROMOTING ORGANIC TRADE WHILE PROTECTING ORGANIC INTEGRITY

### MR. MILES McEVOY

USDA NOP  
DEPUTY ADMINISTRATOR, NATIONAL ORGANIC PROGRAM  
AGRICULTURAL MARKETING SERVICE



### SPEAKER'S BIO

Miles McEvoy has worked in the field of organic agriculture for more than two decades. He has inspected hundreds of organic farms and processors, has led standards development in state and federal governments, and has been involved in many investigations and enforcement actions.

Mr. McEvoy received his Bachelor of Science and Bachelor of Arts degrees from the Evergreen State College and his Master's in Entomology from Cornell University. From 1988-2009 he led the Washington State Department of Agriculture's (WSDA) Organic Food Program, one of the nation's first state organic certification programs. In 2001, he helped establish the WSDA Small Farm and Direct Marketing Program. Mr. McEvoy helped establish the National Association of State Organic Programs (NASOP) in 1998 and served as NASOP president for many years.

As Deputy Administrator, Mr. McEvoy leads the three National Organic Program Divisions (Standards Division, Compliance and Enforcement Division, and Accreditation and International Activities Division) in protecting organic integrity from farm to market.

### ABSTRACT

Since the implementation of the United States Department of Agriculture (USDA) organic regulations in 2002, the USDA National Organic Program's (NOP) responsibilities have grown significantly along with the global demand for organic products. One of the NOP's key roles is to oversee the 29 billion dollar organic industry in the United States from farm to market. Additionally, efforts to harmonize international organic standards have led to trade arrangements that facilitate organic trade around the globe. These arrangements create new market opportunities for organic products in local, regional, and global markets. Ensuring that organic claims are truthful and accurate is increasingly important to safeguard consumers, support organic trade and protect the integrity of the organic community.

**Oversight of USDA-accredited certifying agents.** Accreditation authorizes private, foreign, or state entities to certify organic farms or processing facilities. Certifying agents are accredited by the USDA and are located throughout the world. Certifying agents are responsible for ensuring that USDA organic products meet all organic standards. Accredited certifying agents must demonstrate the skills, knowledge, and capacity in order to receive accreditation. They are subject to a rigorous review of their quality system, certification

procedures, and staffing during a pre-decisional onsite assessment. They undergo on-site assessments every 2.5 years to ensure compliance with the USDA organic regulations and the terms of their accreditation.

**Oversight of USDA organic products.** USDA organic certification allows a farm or processing facility—whether based in the United States or not—to sell, label, and represent their products as organic in U.S. markets. All certified operations are required to develop Organic System Plans that describe their practices and how they will ensure compliance with the USDA organic regulations. These plans are approved by 93 USDA-accredited certifying agents around the world and verified during the operation's required annual on-site inspection. If violations are reported or detected, the operation is investigated by the certifying agent or USDA. Enforcement actions include cease and desist letters, financial penalties and the suspension or revocation of organic certification.

**Oversight of products through organic trade arrangements.** The NOP has recognition agreements with six governments including Denmark, the United Kingdom, Israel, Japan, New Zealand and Japan. Under recognition agreements, foreign governments accredit certifying agents in that country to the USDA organic standards. The United States also has an equivalence arrangement with Canada that allows organic products certified to the USDA organic or Canada Organic Regime standards to be labeled and sold in both countries as long as the terms of the arrangement are met. Before entering into these agreements, the NOP thoroughly evaluated the government's organic regulatory system. Every two years thereafter, the NOP conducts onsite reviews of the organic regulatory systems to ensure continual compliance with the arrangements.

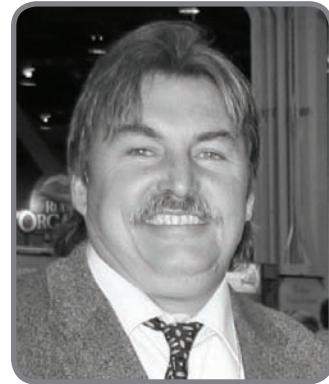
## INTERNATIONAL ORGANIC EQUIVALENCY ARRANGEMENTS VS. TRADE FACILITATION

### MR. MICHAEL R. SAUMUR

CANADIAN FOOD INSPECTION AGENCY

#### SPEAKER'S BIO

Michel has been a proud public servant for 29 years. Since November 2004, Michel has been leading the Organic Project and is now the National Manager for the Canada Organic Office. Before that and for 14 years, Michel was Chief of Imports for the Processed and Fresh Fruits and Vegetables Programs for the Canadian Food Inspection Agency. Prior to this position he was the Agriculture Canada National Program Auditor for Processed Products Establishment Inspection Program and before that a District Program Officer in Hamilton, Ontario.



He has a B. Sc. in Agronomy from Laval University and B.Sc. in Animal Physiology from Ottawa University. Michel has also ISO 10011 and HACCP Certification.

In his spare time, he raises sheep and donkeys and enjoys playing, coaching and watching hockey – especially when his two kids or the Ottawa Senators play.

#### SPEECH'S ABSTRACT

The objectives in establishing a regulatory regime for organic products are to protect consumers against fraudulent and misleading claims, to create a level playing field within the industry for imported and domestic products and to facilitate market access.

The most effective way to ensure the organic integrity of imported products is to ensure controls are in place at the origin of the products. Under an equivalency arrangement, products comply with the domestic requirements at origin. This provides better controls, traceability and trust.

The equivalency determination process includes rigorous review and comparison of the elements of an Organic Regime. The elements of such a regime are: 1) Administration, 2) Regulations, 3) Accreditation, 4) Certification, 5) Standards and 6) Monitoring and Enforcement.

The comparison analysis determines the extent to which the assessed Organic Regime demonstrates conformity with the Canadian requirements specified in the documentation. In formal negotiations, based on the equivalency determination results, Canada and the foreign country determine the equivalency status and enter into an equivalency arrangement.

These equivalency arrangements create trust in imported products, lessen the cost of accreditation and certification and lead to standards harmonization.

## EMERGING ORGANIC MARKETS AND TRADE

### Ms. P.V.S.M. GOURI

AGRICULTURAL AND POSSESSED FOOD PRODUCTS EXPORT  
DEVELOPMENT AUTHORITY, INDIA

#### SPEAKER'S BIO

Dr. P V S M Gouri has a Ph.D. in Life Sciences and is working as a consultant with the Agricultural and Processed Products Export Development Authority (APEDA) and as an Advisor to the National Accreditation Body (NAB).



Her diverse fields of work experience include: standards setting, implementation of ISO 17011 at APEDA, assessment of certification bodies for accreditation according to ISO 65 and their surveillance, development and implementation of the web-based traceability system Tracenet, capacity building of CBs, and work related to equivalence with major importing countries.

She has been an active member of the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF) and the Global Market Access Project (GOMA) of FAO/UNCTAD/IFOAM, contributing to their mission of promoting trade in organic products through harmonization of standards and the assessment of equivalence between countries.

#### ABSTRACT

With the aims of establishing the sustainability of small farmers, preserving biodiversity and meeting consumer demand for organic products, the government of India is actively promoting organic farming on a large scale. One of its major goals is to achieve an organic farming area of five million ha. in the coming years. The Indian government is encouraging small farmers to adopt PGS in small villages to prepare themselves for third-party certification (group certification) at a later stage to enter the mainstream market. This would enable organic stakeholders to participate more fully in the organic value chain. The Indian government has furthermore come up with several programs in capacity building, certification and infrastructure development to support small farmers.

The domestic market in India is steadily growing. Only 10% of the total organic production is exported; the rest is consumed domestically. The present domestic market is estimated at US\$ 543 million.

To promote the domestic market, the NPOP (National Programme for Organic Production) has been implemented initially on a voluntary basis. However, it is likely to become mandatory soon. Indian regulation will facilitate import access in line with WTO requirements (i.e. with standards and procedures that are applicable to domestic products applying equally to imported products). To further accelerate market access, seeking

equivalence among the importing and exporting countries and multilateral agreements will be the solution for future.

The standards of production in any country are based on the same objectives and principles of organic farming, however, with minor variations. If the Organic guarantee system is established and harmonized universally, there will be no barriers for market access of organic products in any part the world, provided there are no other SPS (sanitary and phytosanitary) measures applied by the importing countries.

ITF tools have covered the standards of production of organic products and standards for the control bodies, which are the most important elements in an organic guarantee system.

Hence, ITF tools can be used as the reference document specific for judging equivalence for trade in organic products between countries.

There is potential for the direct use of the ITF tools by countries at two stages:

- During drafting of standards
- For judging equivalence between countries
- For recognition of conformity assessment procedures.

# EMERGING ISSUES

## EXPANDING THE SCOPE OF ORGANIC?

### MR. BAVO VAN DEN IDSELT

DUTCH ASSOCIATION OF ORGANIC PRODUCERS AND TRADERS

### SPEAKER'S BIO

Since early 2011 Bavo van den Idselt has been the director of Bionext, the new Dutch chain-organization for sustainable, organic farming, trading, processing, retailing and consuming. Before joining Bionext Bavo van den Idselt was a consultant for the organic trading, processing and retailing associations VBP and PBS. For VBP he established the BIOKAP residue-monitoring system.



The most important members of Bionext are the farmer-organization BioHuis (representing organic farmers), the processing-association VBP (representing organic traders and processors) and organic retailers. One of the key projects of Bionext is to establish a new multi-sustainable assessment system for organic farmers, processors and retailers.

Bavo van den Idselt is Vice President of the IFOAM EU Group.

### ABSTRACT

Whether to expand is no longer the question. The scope of organic will be expanded in the coming years - that is for sure. Some of us have already started, like the Soil Association, Ecosocial (IBD) and Krav. The real question is: how far will the scope extend and how ambitious can the organic sector become with regard to all sustainability topics that pop up? The conventional agri-food industry is seriously orientating on sustainability topics. In 2011 the Sustainability Consortium, started by Walmart in 2009, came from the US to the EU, and is now joined by many multinationals. The EU Commission is working on different single sustainability issues, like animal welfare and Eco labeling. And new legislative attempts for single sustainability topics will follow.

Organic food and farming was started as a multifunctional sustainability system and in fact still is, but organic legislation does not demand sustainability in all directions. Social sustainability, energy use and carbon-reduction, for example, are not within the scope of organic regulation. But they are part of the basic principles of organic agriculture, and many organic companies deliver in this regard.

Because of the slow process of changing or renewing legislation, a new era for private initiatives from the organic sector can be expected. This is because the consumer expects organic to be climate and energy-friendly, socially ethical, protective of biodiversity and healthy.

The organic movement needs to establish new creative tools that guide organic farmers, traders, processors and retailers to reinforce the basic principles of IFOAM into daily practice and strengthen organic as the most integral sustainability food and farming-system. How are we going to achieve this? That's the question I would like to discuss with you.

## DIFFERENT WAYS OF WORKING TOWARDS THE GOALS OF ORGANIC AGRICULTURE

### MS. SUSANNE PADEL

ORGANIC RESEARCH CENTRE ELM FARM UK

#### SPEAKER'S BIO

Susanne Padel is principal researcher and team leader for socio-economic and policy at Organic Research Centre – Elm Farm (ORC) in the UK. Organic Research Centre – Elm Farm is a registered charity, whose business is to develop and support sustainable land-use, agriculture and food systems, primarily within local economies, which build on organic/agro-ecological principles to ensure the health and well-being of soil, plant, animal, people and our environment. The socio-economic work of ORC covers profitability of organic farms, standards and certification systems, as well as consumer attitudes to organic products, including willingness to pay, policy support payments and public benefits of organic farming.



After six years of working as an advisor for organic and converting farms in northern Germany, followed by a 10-month study period in New Zealand, Susanne began work as a researcher at Aberystwyth University. There she was working on a number of mainly EU-funded projects related to socio-economic aspects of organic farming before joining ORC in 2009. She holds a degree in agriculture from the University of Kassel, Witzenhausen and a Ph.D. in agricultural economics from Aberystwyth University.

#### ABSTRACT

This paper explores which goals of organic agriculture are covered by standards/certification, which ones are more problematic in this way and what alternatives might exist. The main goals of organic agriculture can be derived from the four IFOAM Principles of Organic Farming of Health, Ecology, Fairness and Care. The presentation will examine which values are and which are not well reflected in current organic standards and organic farming practice in Europe. Certification, based on clear (and legally defined) standards is the basis for the guarantee that an organic label gives to consumers. However, many standards do not clearly state the values on which they are based, and consumers who do not read the standards may have other expectations. The rules on which certification is based mainly refer to prohibiting specific inputs (e.g. no synthetic N, no herbicides), not passing certain thresholds (e.g. less than 175 kg N added through brought-in manure) and specific practices that are prohibited (e.g. battery cages) or desired (e.g. animals should have access to pasture) with various penalties (up to full loss of certification). Further achievement is not rewarded and thus not encouraged. The process of formalizing standards and certification has resulted in a system that has little flexibility to respond to specific conditions of an operator, and inspectors are not allowed to give much guidance to the operator. So, can the system ensure that important goals of

organic agriculture are met and respond to new challenges and values that are important to consumers?

However, working towards fulfilling the main goals of organic agriculture is easier said than done. The main reason that standards have focused on certain areas is straightforward: these factors are easy to codify and to audit (e.g. checking for use/not use of specific inputs). The values that have not been translated into rules are far more difficult to audit. This includes aspects of environmental impact and localness expressed in the principles of ecology and animal welfare and social issues expressed in the principle of fairness. Developing auditing criteria tools that are relevant to producers in various countries that are not too time consuming to audit but are nevertheless meaningful is very difficult. The paper will explore other ways in which the progression towards certain goals can be encouraged, based on two examples from recent work of Organic Research Centre related to animal welfare and evaluating sustainability. It concludes that it remains very important that any new developments involve organic operators from the start. It is important to raise awareness of the main goals of organic agriculture among operators, to 'translate' aspects of these goals into practices and objectives that are relevant and suitable to the specific circumstances and to carry out a monitoring system to track how well achievements towards these goals have been made.

## KEEPING UP WITH EVER INCREASING REQUIREMENTS: CAN WE? SHOULD WE?

### MR. THILAK KARIYAWASAM

LANKA ORGANIC AGRICULTURE MOVEMENT, SRI LANKA



#### SPEAKER'S BIO

Thilak Kariyawasam, former Coordinator of the Sri Lanka Nature Forum, has been the President of the LOAM since 2009. He wears many hats with regard to social, agricultural and environment topics. Thilak is one of board members of the National Organic Control Authority (NOCA). At SriCert, a local certification body, he serves as Managing Director. He has managed several publications on varied subjects. Thilak is also member of the Asian Regional Organic Standard (AROS) drafting group under the GOMA project.

#### ABSTRACT

The Zero Draft of the Rio+20 document says: *"The transformation to a green economy should be an opportunity to all countries and a threat to none. We therefore resolve that international efforts to help countries build a green economy in the context of sustainable development and poverty eradication must not create new trade barriers."*

In reality, many sustainability standards threaten to create such barriers. It is not only the requirements themselves that are difficult, but also documentation and the multitude of standards whose requirements are constantly changing.

At the international level countries are talking about how to recognize each other's organic products for trade. But to what degree are farmers taken into consideration? What are the challenges they are facing to get certification? Many market players are asking for different standards and labels, and it is very complicated for farmers to adapt to all the requirements – and to the constant changes in requirements. Of course, farmers have to follow reasonable standards and certification procedures, but the complexity of the systems and the many different systems, even within organic, pose major challenges.

One of the main requirements for certification is documentation. But most farmers in the world are not used to keeping records and may not be able to do it. Instead of forcing farmers into systems they do not see the value of, certification bodies can use technological solutions for these kinds of problems. For example, to get evidence they can use video clips, GIS (geographic information systems) and photos rather than documents. Instead of insisting on maps, the inspectors can use GPS on the first visit. Other problems that farmers may experience are related to the lack of technical know-how, land and/or other titles, or written agreements.

Another challenge arises from the fact that EU and NOP standards are based on the conditions in their respective regions. Farmers residing in the US or the EU have opportunities to comment on and influence the standards and their revisions. But those who are producing their products under EU or NOP standards in other parts of the world do not have the same chance.

The solution lies in acknowledging that conditions are distinct in the world and that solutions and standards therefore also have to be different. Through increased recognition of each other's systems based on equivalence, producers in all countries can employ systems fit for their capacity and their conditions.

# CONFERENCE CONCLUSION

## KEYNOTE SPEECH: ORGANIC TRADE: HARMONY AND SUSTAINABILITY

### MS. KATHLEEN MERRIGAN

DEPUTY SECRETARY, UNITED STATES DEPARTMENT OF AGRICULTURE

#### SPEAKER'S BIO

Kathleen Merrigan works alongside the Secretary of Agriculture to oversee the operation of USDA's many programs and spearheads the US\$ 149 billion USDA budget process. She also serves on the President's Management Council, working with other Cabinet Deputies to improve accountability and performance across the federal government. Dr. Merrigan was formerly Administrator of the USDA Agricultural Marketing Service from 1999 to 2001, where she oversaw the development of the National Organic Program regulation. In between her USDA appointments, Dr. Merrigan held a post for eight years as Assistant Professor at Tufts University, Massachusetts. She also served for six years as a senior staff member of the US Senate Committee on Agriculture, Nutrition and Forestry, where she had an instrumental role in writing the US Organic Foods Production Act of 1990. In November 2009, Dr. Merrigan was the first woman to chair the Ministerial Conference of the Food and Agriculture Organization (FAO) of the United Nations. Recognizing the history and scope of her work, Time magazine named Dr. Merrigan among the "100 Most Influential People in the World" in 2010. She holds a Ph.D. degree in environmental planning and policy from the Massachusetts Institute of Technology, a Master of Public Affairs degree from the University of Texas, and a Bachelor's degree from Williams College, Massachusetts.



#### ABSTRACT

Ten years have passed since USDA launched its National Organic Program (NOP). The program combines rigorous organic standards, a competent oversight system, and access to the US market for conforming organic products. The integrity of this system has helped propel strong growth in consumer demand for certified organic products and the values they represent. This growth has extended globally and created important opportunities for international trade. While maintaining the rigor of the system and the trust of consumers, we see the benefits of harmonization among organic standards to include both economic returns and support for sustainable production systems.

Towards these ends, the United States permits certification bodies from around the world to apply for accreditation to the NOP. In addition, foreign governments may apply for recognition by USDA to become the conformity assessment body that could accredit their certifiers.

The United States also allows organic programs in other markets to be deemed "equivalent", which can further reduce the cost of certification for growers and processors in both

countries, encourage more organic production, and provide consumers with greater access to a wider variety of organic products.

USDA has now implemented all of these systems, each level building one upon the other. There are 41 non-US certification bodies currently accredited by NOP. There are recognition agreements with six countries at this time. We have signed and implemented an equivalency arrangement with Canada.

The signing of the historic equivalence arrangement with Canada in 2009 created enormous opportunity for producers in both countries. Since then, the United States has entered negotiations with the European Union, and is close to creating a similar arrangement. In addition, the United States is exploring additional trade arrangements and has engaged in talks with Japan, Korea and Mexico. From all of these efforts we have gained some general insights:

- Organic principles are highly consistent around the globe, but differences in specific standards and regulations have created complicated (and sometimes costly) barriers to trade. Achieving equivalency arrangements requires great diligence by all parties, but the results are well worth the effort and will only increase as more arrangements are reached.
- The challenge of harmonization is not just about standards, but also about the ability of certifiers and governments to verify that organic standards are complied with by organic farmers and handlers. This is the key to maintaining the trust of consumers in all markets.
- Equivalence agreements are important for supporting organic agriculture around the world, especially to increase the ability of smallholders to export. Access to larger markets is the incentive for developing organic systems and the benefits that accrue from them. Equivalence agreements can provide the greatest cost-savings and therefore capture the greatest benefits.

The United States remains committed to organic food and agriculture, and effective regulation to ensure the values that the organic label offers to consumers. We are equally committed to harmonious international trade. Combining these goals supports the continual growth of the organic market and the economic well-being for thousands of organic farmers.

# CONFERENCE RAPPORTEURS

## MS. LAURA CECILIA MONTENEGRO

ARGENCERT

### BIO

- President and Technical Director of the Organic and Quality Certification Body ARGENCERT S.A., accredited by IFOAM, ISO 65, USDA and GLOBALG.A.P., and active in Argentina, Chile, Paraguay and other countries for 20 years;
- President of CERTIBIONET aisbl (International association of the Organisms of Control and Certification in Biological Agriculture) based in Belgium;
- Secretary of CACER (Certification Chamber of Argentina) and representative at the Ministry of Agriculture Organic Committee (PRODAO);
- Latin American Auditor of the Program Nature & More (The Netherlands);
- GOMA (Global Organic Market Access) Ambassador;
- Honored with the IFOAM Recognition Award during the 17th Organic World Congress in Korea, 2011.



## MR. MATTHEW HOLMES

CANADA ORGANIC TRADE ASSOCIATION

### BIO

Matthew Holmes is Executive Director of the Canada Organic Trade Association, and serves as processing chair of Canada's organic standards technical committee, as well as regulatory chair of Agriculture Canada's Organic Value Chain Roundtable. He has long been a champion of trade equivalency for the global organic sector. In October, he was elected to the World Board of IFOAM, the International Federation of Organic Agriculture Movements. Holmes is a regular writer and international speaker on regulatory developments and market trends, and is co-author of the annual chapter on Canada in FiBL & IFOAM's *The World Of Organic Agriculture*. He lives with his family in Atlantic Canada.





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