





INTERNATIONAL TASK FORCE ON HARMONIZATION AND EQUIVALENCE IN ORGANIC AGRICULTURE

Movements

### HIGH-LEVEL PUBLIC SESSION

Geneva, 7 October 2008

## Address by

# Alexander Mueller, Assistant Director-General Natural Resources and Environment Department Food and Agriculture Organization of the United Nations

Mr. Panitchpakdi Supachai, Secretary-General of UNCTAD,

Mr. Urs Niggli, Vice-President of IFOAM,

It is a pleasure and an honour for me to participate in this meeting. I have to excuse myself for being only present via videoconference. A meeting of our governing bodies here in Rome requires my attendance at Headquarters.

This ITF meeting is an important event for international trade in organic agriculture.

I want to start by thanking all those who have participated in this process of six years of collaborative work by FAO, the UN Conference on Trade and Development (UNCTAD), and the International Federation of Organic Agriculture Movements (IFOAM), the umbrella organization for the organic sector worldwide.

You have invested a lot of time and you brought all your experience and your commitment in order to create new tools for improving international trade with organic products.

Organic trade is expanding at the rate of 15-20 percent per year, and more than 100 countries currently export certified organic products. This is a good opportunity for farmers all over the world to export high value products and to participate in global trade. Organic products are an important source of income, especially for small scale farmers.

And we know that there is an increasing demand from consumers all over the world for organic products. Consumers know that the quality of organic products is very high and that

the production is environmentally friendly. The organic market is steadily expanding and new issues are emerging.

But international organic trade is hindered by a multitude of standards, regulations, and conformity assessment systems. Over 400 public and private certification bodies now operate in the global organic marketplace. Products certified as organic under one system are not easily recognized as organic under another. This causes major headaches and costs for organic producers and exporters wishing to sell in different markets. This could also create problems for consumers. Consumers want clear certification schemes for organic products and they want full transparency on the markets. This is the basis for the further expansion of the organic market.

The situation today is not satisfying. Please allow me to analyze the current situation. More than quality assurance, many requirements for trade with organic products are unnecessary obstacles to trade. We have to avoid discrimination on the markets, as well as not so transparent procedures. Private certification organizations often do not accept each other, not even those that are accredited under the same system. Representatives of producers and trade often have to carry the burden of all this incompatibility.

They are advantages and disadvantages in private and public systems - and legitimate concerns - and there is scope for improvement: the ITF provided a forum for public-private dialogue, triggered by the cooperation between an NGO and inter-governmental institutions.

There are four reasons for which FAO is interested in this work. First, our objective is to assist creating a fair environment conducive to small farmers' entry to organic export markets, including low-cost inspection and certification schemes. Second, FAO seeks to better assist governments of developing countries establishing appropriate organic agriculture regulations, as well as trusted and effective organic food control systems. Third, our aim is to facilitate through the Codex Alimentarius Commission, inter-governmental recognition of mutual organic agriculture standards and certification systems, including criteria for judgement of equivalence. Fourth, our interest is to provide an international multi-stakeholder forum where dynamic private sector activities are bridged with governmental regulations and policies for organic agriculture.

### Ladies and Gentlemen,

I want to congratulate again the people being involved in the negotiations in the ITF. Rather than losing time, money and markets in this jungle of standards and regulations, the ITF has laid the basis for harmonious cooperation for those interested in facilitating the growth of the organic sector, while maintaining the integrity of the system.

The ITF is a model of successful public-private partnership. I am happy that UNCTAD and FAO brought together the agriculture and commerce constituencies jointly with the private organic industry, thus promoting a continuum in production and trade development. This mixed group "harmoniously" agreed that no system, either private or public, is best in the absence of a definition of a "common denominator" for boosting organic agriculture trade.

Six years have been dedicated to evaluating strengths and weaknesses of different experiences and negotiating for common denominators agreeable to all parties. And the result is the creation of new tools for international trade with organic products.

Equitool is a guide to help decision-makers assess whether an organic production and processing standard applicable in one region of the world is equivalent – that is, not identical but equally valid – to another organic standard. This tool facilitates trade while also safeguarding organic production according to local socio-economic and agro-ecological conditions.

The second tool, IROCB (International Requirements for Organic Certification Bodies) is a minimum set of performance requirements for organic certification bodies that will enable import of products certified under foreign control systems.

These tools follow, adopt and adapt relevant principles of the Codex Alimentarius Commission, ISO Guide 65 and WTO and thus, offer a truly international basis for facilitating trade of organic products.

But what are the challenges ahead of us? Having tools out there does not mean that they are effectively used, or better, accepted for international trade.

Countries with <u>regulated markets</u> will remain difficult to access by developing countries, unless the revision of technical regulations gradually converge towards internationally agreed standards and procedures. Governments, especially in export markets (i.e. EU, USA, Japan), as well as private certification and accreditation bodies, are encouraged to using the ITF tools in order to improve market access to developing countries.

For countries <u>without</u> an organic regulation, the ITF provides a solid basis for the establishment of sound organic guarantee systems, building on lessons and experience thus far. The ITF has already fostered, through its partners, the establishment of "harmonized" regional organic standards in East Africa and the Pacific, which <u>international acceptance</u> is now being pursued.

#### Ladies and Gentlemen,

FAO has invested in the ITF and is therefore determined to pursue its commitment. FAO will inform its Committee on Agriculture (April 2009), the Codex Alimentarius Commission (July 2009) and its Committee on Labelling (May 2009) on the ITF achievements and possible follow-up by governments, including the consideration and possible development of ITF tools as Codex guidelines, or appendix to the Codex Guidelines for Organic Foods.

Organic farmers in developing countries will have greater access to world markets, thanks to two practical tools launched this week that seek to ease trade in organic agricultural products. We hope that all interested parties, including governments, certifiers and accreditors, will use these tools.