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## D 6.3 Report of the second stakeholder workshop of the Organic Revision Project

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#### Introduction

At the European Joint Organic Congress held in Odense, Denmark on 30 - 31 May 2006 the Organic Revision Project organised the Theme 3 "What should be the rule?" The theme included sessions in related to the ongoing revision of the EU regulation. The sessions for this theme were the 2<sup>nd</sup> stakeholder workshop of the Organic Revision Project.

This report contains a short summary of all sessions that are directly relevant to the theme. Annex 1 includes the programme of the sessions in this theme.

The first session (Session A 1-2-3) was the opening sub-plenary for the broader Topic 1 of Sustainable Rural Development, which included the Theme 3. In this session, a representative from the Organic Farming Unit in DG Agriculture of the European Commission introduced the proposal for a new European regulation for organic farming. The second session (B3) had the main purpose of proving a forum for discussion of the Commission proposal for total revision of 2092/91 from December 2005 with presentation of two different stakeholders and ongoing work in the Organic Revision Project. The third session (C3) presented ongoing work in WP 2 of the Organic Revision project in relation to the case study of the question of local food and regionality, alongside work from other researchers on the same themes. Session D3 focused on flexibility and regional variation in the standards and included one presentation with a first analysis of entries in the organic the Organic Rules Database, conclusions from the SAFO network about livestock standards in relation to regional diversity and a presentation from DG Agriculture of the European commission about flexibility in organic standards, regional differences. The final session on intensification and conventionalisation of the organic food and farming sector also is relevant to ongoing work in WP2 and included one presentation on the IFOAM process of formulating its principles of organic agriculture and two papers examining whether or not there are any indications of conventionalisation of organic producers in Europe.

This report provides a short summary of each of the presentation under the theme and relevant papers from plenary sessions. Short versions of most papers are available on the organic E-prints website (<a href="www.orgprints.org">www.orgprints.org</a>), the power-point presentations of all papers have been uploaded on the Organic Revision Project website (<a href="www.organic-revision.org">www.organic-revision.org</a>). The report of the discussions focuses on the questions more then answer as these provide a valuable contribution for the further work in the project.

# Session A1-2-3: Overview of European organic research, policies and regulations

Stefan Lange from Germany highlighted important future research topics identified in the collaboration in 11 countries that are represented in CORE organic. These include animal husbandry and animal health management; food quality issues (e.g. process quality as a part of product quality); soil fertility; local and regional aspects of organic farming and food production, technical development in some areas and the improvement of information and knowledge transfer (vertical/horizontal). Challenges were also identified in the area of research methodology, where truly interdisciplinary/multidisciplinary research remains a considerable challenge both for scientists and funding bodies and the integration of disciplinary research findings into the holistic context is required. CORE Organic was presented as a tool that can help overcome isolated priority setting, national funding barriers and the inefficient use of resources by avoiding identical research being carried out in several member states. In 2006, the EU Commission spent approximately 6 mil € on research for Organic Food & Farming. The funding coming from national research programmes, documented in the CORE Organic project is about 60 mil €, ten times more then the EU funding. The CORE structure can bundle these still scattered national budgets to a permanent "network" of research resources.

Questions to this presentation related to:

- the relationship between CORE Organic and ISOFAR, the International Society of Organic Farming Research;
- whether CORE partner countries will organised a common procedure to evaluate the quality and relevance of the research proposals and projects within the common CORE calls; and
- how the participation of stakeholders in setting the research agenda can be organised at trans-national level.

Matthias Stolze outlined that the EU first used the instrument of regulating organic farming in 1991 with the EU regulation 2092/91. This provided the basis for the introduction of Europe wide organic support payments in 1993 under the agrienvironment programme EC Regulation 2078/92, now replaced by EC Regulation 1257/1999. These measures have created conditions for the rapid growth of the organic sector in most countries, but in many cases this has also led to marketing problems.

In 2003, organic farming support through EC Reg. 1257/1999 accounted for ca. 5% of all agri-environmental contracts, 7% of supported area and 14% of expenditure. The proportion varied between Member States, ranging from 1 to 45 % of the total spending on agri-environment measures in each country. The average OF area payment was highest (€404/ha) in GR, reflecting the then focus on high value crops, and lowest in the UK (€36/ha) reflecting low per ha payments on high areas of grassland. The EU-15 average was €185/ha.

Approximately 90% of the certified organic land area in EU received policy support payments. In Sweden certification is not a pre-condition for receiving organic support payments, non-certified but policy supported land area accounts for approximately 7% of total land area. The paper also highlighted that eleven EU Member States support state logos, and eleven (but not in all cases the same) have supported consumer promotions campaigns. The new Member States have taken up policy support for their farmers, but have been slower in engaging in market support programmes for their domestic markets.

The following discussion highlighted the framework of organic farming support under the agri-environmental heading by addressing mainly the following questions:

- Is there a need to monitor whether supporting organic farming delivers environmental outcomes on farms?
- Is there a need to strengthen the environmental aspects in the European Organic Farming Regulation?

Herman Van Boxem introduced the Proposal for a total revision of the Organic Regulation of the European Commission. He highlighted that there has been impressive growth of organic farming in the last decade of the last century and that the Organic Farming Regulation is likely to have contributed to this growth. The current organic sector in Europe is divers in terms of farm size, enterprise structure, presence of livestock and in the use of retail outlets. Larger players including multiple retailers and recently also discounters have entered the sector, but growth has also been noted in the specialist organic shops. Legislation on organic farming at European level has to cater for all this diversity.

The current proposal for a new regulation follows from the European Action Plan for organic food and farming that was adopted by the Council of Ministers in 2004, inviting the European Commission to bring forward proposals in 2005. The policy context of the new proposal that was published in December 2005 is characterized by the Community funded research on OF, the Communication on sustainable aquaculture and the general desire of the EU to make a simpler, more transparent and better regulation, as well as by the existing EU legal framework on organic farming.

He summarised the major shortcomings of the current regulation as too complex, absence of clear objectives and principles, multiple derogations and varying interpretations. The presentation also highlighted some of the aims of the new proposal, in particular to introduce an element of flexibility in adapting some requirements to specific local condition, an improvement of the control system, removing obstacles to free trade of organic products in the EU, reducing the level of detail of certain areas in the main council regulation and recognising the role of organic farming in the CAP. The presentation further outlined the main provisions in some articles of the new proposal.

The more detailed discussion of this presentation took place in the following session.

## Session B3: Discussing the proposal for a new council regulation

Marco Schlüter introduced the position of the IFOAM-EU group to the Commission proposal which has reservation about a number of issues. Despite acknowledging that the Action Plan had been widely consulted, one concern of this group was the lack of appropriate stakeholder consultation on the details of the current proposal, both before and after publication. The IFOAM EU group jointly with the European Parliament organised a stakeholder conference in March, to create a wider forum for discussion of the proposal. Other concerns expressed related to creating legal uncertainty due to the absence of case law on a new legislation, the pace of the originally envisaged time table and to some parts of the content, which are clearly outlined in the published position papers of the IFOAM EU Group.

The chair emphasised that many of the points raised were currently under discussion in council.

Johannes Nebel, the president of the organic farming group of COPA/COGECA gave the second paper on the benefits of free trade. He has been an organic farmer for more then 15 years. His organisation welcomes the proposal and expects that it will contribute to a better functioning of the internal market for organic products in the EU, which in turn will be good for consumers and for the growth and development of the organic sector. The new provision on controls is expected to improve the functioning of the inspection system across all member states, particularly in those countries where supervision has been poor as can be seen from the inspection reports submitted to the commission. COPA/COGECA is not opposed to the proposed connection of organic inspection and certification with general ones under EC Reg. 882/2004. The experience with applying EN45011 and ISO65 to the organic sector shows that applying none sector specific requirements can contributed to developing valuable routine procedures in organic certification and accreditation. He welcomed that the ability of the inspection bodies to give derogations to their farmers or business partner will be restricted.

The new regulation should provide clearer definition of the obligations of member states and farmers under the regulation. He expressed his hopes that in clearly stating principles the new regulation will strengthen the self-reliance and integrity of organic farming (for example by reducing the ability of member states to ask for further derogations for non-organic input even if they are available elsewhere).

Concerns from his organisation to the new proposal related to Article 16 which might allow too much flexibility, for example some traditional products should not be included in organic rules. Exceptions for less developed areas should be strictly time limited, so that the rules are not weakened.

COPA/COGECA agrees with IFOAM-EU group position that there has not been enough stakeholder involvement with the proposal which could be improved through the setting up of an advisory group, and would also like to see catering covered by the new regulation.

The presentation by Erik Steen Kristensen on behalf of the project introduced ongoing work on developing a procedure for balancing values, based on examples from three case studies of contested areas of localness, intensity of organic production and (in)dependence from non organic inputs, and highlighting the need that a range of different stakeholder perspectives to be considered.

Apart from some points of clarification to individual papers the discussion covered the following questions for which a range of different views were expressed:

- Does the new council regulation represent a lowering of current import requirements and current standards?
- Are the Codex Alimentarius Guidelines for organically produced food an equivalent standard to the EU Regulation?
- How should the regulation account for the contradiction between growing farm specialisation and the aim of recycling and closing of nutrient cycles?
- How can the systems approach be considered adequately in the regulation?
- How can a higher level of market penetration (up to 50%) be considered?
- Can we keep the integrity and consumer confidence in organic products in a globalised economy?
- Who are stakeholders in relation to this regulation and how should they be consulted?

#### Session C3: How local is local?

Jan de Wit presented on the case of organic pigs and poultry production in the Netherland. Existing practises certified according to the EU regulation appear to contradict several of the new principles of organic farming of IFOAM. Organic pig and poultry production in the Netherlands mainly takes place on large scale operation: the majority of hens are kept on farms with more then 10.000 birds, with only 7.5 ha of pasture. 90 % of the feed is purchased and a high share of the rations consists of imported feeds. The farms sell manure to other organic arable farms. The paper described negative consequences of this practise. The farms are loaded with surplus nutrients such as phosphate, requirements for fossil fuel for the transport of the feed are high, the absence of human-animal interaction has a negative impact on animal health, and beak trimming is widely used. As an alternative the paper discussed to introduce a requirement to use locally produced feed. Consequences of this would be rising costs of production in the short term, which would have a negative effect on the development of organic egg production and therefore economies of scale. However, in the long term a strategy based on local feed could lead to better differentiation in the market and the reality of organic farming would be more aligned with consumer expectations. Another approach to address the concerns could be to state food or in this case input miles on the label. This strategy would rely on the informed consumer choosing products with lower food miles to work.

During the discussion of this paper the following questions were asked and comments made.

- Do the proposed instruments achieve the desired environmental goals?
- Is there an environmental difference between transporting inputs or food products?
- What is meant by regional production and regional cycles? In this context it was highlighted that a 100 km limit on feed transport would effectively be a ban on poultry production in the mountain areas of Austria.

The second paper by Chris Kjedsen critically questioned whether the value of localness should become the new orthodoxy and whether this value should be regulated for in organic standards. He highlighted that in the recent literature two

ideal-typical development paths of *ecological modernisation* and *ecological communities* can be identified<sup>1</sup>. In this binary distinction globalisation is portrait as negative, whereas localisation is seen as very positive and discussed as the antidote to globalisation. Local food networks or the spatial integration of production and consumption are expected to not only have environmental but also economic and social benefits.

Kjedsen highlighted, however, that it is necessary to question the underlying assumptions and compare them with the reality of existing food networks.

In the case of Denmark, whilst dedicated food networks were important in the past, the reality has changed. Supermarkets are of growing importance, and now account for 80% of all organic sales, whereas only 12% are sold through alternative food networks. There are examples of food networks that limit themselves to one locality which are socially and economically unsustainable, because of the lack of economies of scale. They are not able to pay a fair return to producers and therefore represent exploitation of labour. This stands in contrast to other organic food initiatives (for example Aarstiderne) that have widened the geographical area in which they are active and have also been socially more successful. It is important to recognise the many organic food business have changed over time. Kjedsen highlighted that localness does not always deliver on all expected outcomes and that many problems currently faced cannot be solved through it alone. He concluded that bi-polar model should be replace with revised understanding that considers the dimensions of special, social and viable business networks.

The discussion of the paper highlighted the following questions:

- All three dimensions of sustainability need to be considered in the debate of localness as tool and trade-offs between them take place.
- Cultural exchange can be a side effect of transport.
- The development of and collaboration between co-operatives in organic marketing also on an international level can increase transparency.

The next presentation by Heidi Leitner from Austria focused on the role of supermarkets in organic food marketing in Lower Austria. In Austria the market has grown from €51 million in 1994 to over €500 million in 2005². In 2002, 37% of sales took place in the stores of multiple retailers³. There has been a decline in small scale companies dealing with organic grains, especially in milling and in baking and prices for producers have declined. Leitner described that multiple retailers attract business partners by offering the opportunity to sell products at large scale and big quantities. They in turn invest in better infrastructure financed by loans. This is followed by price pressure on the suppliers (farmers, millers, bakers). They have loans to repay and therefore have to comply with the requirements of the multiple retailers, such as larger quantities, constant homogeneous qualities, etc.. Supermarkets were described as meeting consumer demand but not as contributing to a sustainable and fair regional rural development. In contrast to this, examples of 'local heroes' were presented, who in interviews emphasise the dedication to their product and craftsmanship and commitment to sustainable development.

<sup>&</sup>lt;sup>1</sup> Kjedesen, C (2005) Modernity, time, space and organic food networks. PhD thesis, Department of Economics, Politics and Public Administration. Aalborg University, Aalborg.

<sup>&</sup>lt;sup>2</sup> Gnant, P. (2006). "Der Bio-Markt heute und morgen", Bio Austria Bauerntage 2006. Bio Austria, Schlierbach.

<sup>&</sup>lt;sup>3</sup> Breisler, B., Gössl, P., Gruber, B., Kollmann, C. & M. Scharner (2002). Bewertung regional produzierter, verarbeiteter und vermarkteter Lebensmittel – Wettbewerbsvorteil im Sinne einer nachhaltigen Entwicklung. Vergleichsstudie zu regionaler und überregionaler Vermarktung. Wieselburg.

The discussion addressed the following questions and topics:

- Supermarkets have contributed substantially to the growth of the sector.
- Multiple retailers have responded to the trend for localness and have begun to develop regional product lines.
- The reduction of consumer prices that supermarkets aim for is likely to result in price pressure on suppliers.
- Are supermarkets wolves in a sheep clothing in developing organic regional product chains?

In the final paper Hugo Alroe asked the question how localness could be measured and potentially considered in standards and the EU Regulation.

He considered the main driving force for localised food systems to be the possibility for closer interaction between all actors and with the local environment, and emphasised that localness is not just about spatial but also about social and economic interaction.

Two main factors currently act against localness: globalisation and functional differentiation. Globalisation refers to growing importance of global trade, whereas functional differentiation refers to the specialisation of production making use of particular strength of certain regions. Both have positive as well as negative aspects, and are closely related and reinforce each other.

Approaches to measure localness include measuring the distance of trade or transport, calculating of food miles which can take the transport of ingredients into account and life cycle analysis. Showing some measure of food miles or transport on the label could increase transparency for consumers. The alternative could be to set stricter distance limits for transport, but this would contradict the European common market. The paper finished with the most important question of whether organic standards should regulate 'localness' but did not provide an answer.

The discussion addressed the following questions and topics:

- Transparency labelling including distance circles can be a way for differentiation in the market place. This approach relies on the informed consumer.
- What contribution can other actors including multiple retailers make to reduce the transportation of food.
- The preference for localness in food networks is related to many more dimensions then transport.
- There are also question about how much energy is used in organic production, and not only in the transport of food.
- Bio Suisse has included in its standards that organic food should not be transport by airplanes.

#### Session D 3: Rules, flexibility and regional variation

Otto Schmid presented a preliminary analysis and evaluation of the differences between the various organic standards and of the different implementation rules of the EU Regulation 2092/91 in Europe. The presentation was based on work carried out as part of the Organic Revision project, using the Organic Rules Database that was developed as part of the project (www.organicrules.org). Main difference were identified in the areas of animal husbandry issues; specific plant production requirements; prohibited inputs in plant production; whole farm conversion requirement. The main reason for differences were summarised as specific national circumstances, such as climate, legislation and policies; areas in which EC Reg. 2092/91 is silent, terms that are not exactly defined in the EU Regulation, areas that require significant pre-investments and livestock standards where the possibility to have stricter national rules is given in the EU Regulation.

Differences between standards are a problem if they lead to consumers feeling insecure and loosing trust in organic products, when they lead to competitive disadvantages for producers and when organic principles are violated. Unclear implementation rules for operators can create legal uncertainty and reduce motivation. The presentation concluded that the aim should be equivalence of rules rather then identical rules in all areas. However, implementation of regional flexibility in the EU Regulation must be a transparent process which can be well communicated to all stakeholders involved.

Susanne Padel presented standard recommendations from EU funded SAFO project. Within the EU network 'Sustaining animal health and food safety in organic farming' (SAFO), the work package on standard development focussed on how and to what degree the EU-Regulations contributes to the objective of a high status of animal health and food safety in organic livestock production. The network has identified important areas in which challenges in relation to organic livestock production arise. In relation to implementation of rules and practices at the farm level, there appears to be considerable variability in the perception of animal health and welfare problems on organic farms among various stakeholders and in the expertise to deal with problems that arise. This is not a problem related to the standards itself but to their implementation at the farm level. Future work should aim to support the development of robust systems through various means, including research and advice, training for farmers, veterinarians, consultants and inspectors in preventive health management as a principle of organic livestock production and a clear statement of the need for prevention in the principles of organic livestock production. The work of SAFO confirmed the impact of diversity between EU member states on livestock production systems, because of climate and soils, animal species farmed, availability of organic feedstuffs, bedding, access to outdoor areas, traditional farming and housing systems and the access to markets and premiums for organic livestock products. Greater flexibility for some regional adaptation as envisaged in proposal for new EU regulation is desirable if common principles can be maintained. In interpreting the current EU Regulation there appears lack of clarity in relation to the following terms: 'Natural milk' (4.5, Annex IIC); 'Regular exercise' in (5.1 and 6.1.5); 'Small holder derogation' for tethering (6.1.6); treatment or prevention (5.4 and 5.8) of sub-clinical conditions, anti-parasitic drugs and vaccines; 'One course of a treatment' (5.8). The SAFO network developed some recommendations for further development of livestock standards. They should state a strong principle of animal health highlighting the need for prevention, mandatory animal health plan for each farm, stronger emphasis on animal health output and animal based assessment in the inspection/certification process, and improving the clarity of some terms in implementation rules and by publicising best practice examples.

Kim Holm Boesen from DG Agriculture presented the commissions view on differences and variation in standards and on the database on organic standards (<a href="www.organicrules.org">www.organicrules.org</a>) developed as part of WP 3 of the Organic Revision project. The Unit 5 in the commission is responsible for the Council Regulation (EEC 2092/91) on organic production which includes the management of questions and notification from the parliament, the member states and the public. The Unit also has to deal with international standards such as CODEX and other international relations. It has developed the proposal for a new Council Regulation on Organic Production and oversees the implementation of the European Action Plan for Organic Food and Farming (EAP).

The current situation in 2092/91 is characterised by at least 66 'derogations', indicated by phrases such as 'need to be recognised by control bodies', 'authorisation by member state' etc. Article 12 allows member states to set stricter national rules for livestock production and products and in many countries private standards exist. Research in the OMIaRD project concluded that conflicts in standards and definitions associated with using of the term organic are an important constraint in the development of the organic food market and a variety of different logos and certification marks exists throughout Europe<sup>4</sup>. Many private logos are important in gaining access to certain markets but can only be used if the producer pays a licensing fee. This was illustrated by an example on a Belgium yogurt that showed four different labels beside the Community label. This practise inhibits the trade with organic produce in Europe and is likely to represent an obstacle for the development of the sector on community level.

In the project database of standard differences the Commission would in particular like to see information about the compliance of derogations or differences with 2092/91, and a clear reference of the standards to which the difference relates. For each item justification for the different or additional rule should be included, such as setting out implementing details, national traditions and legislation and topics not covered by 2092/91. Justifications that simply refer to 'stricter' rules in a private standard are not satisfactory as they cannot be used in future work. In its own proposal for a new Council Regulation the Commission has proposed conditions for 'flexibility' that allow to accommodate for regional variation in relation to production confronted with climatic, geographical or structural constraints, early stages of development of organic production, transitional measures when new legislation comes into force, where inputs are not commercially available in organic form, solve specific problems related to the management of organic production, temporary measurements in the case of catastrophic circumstances, and restrictions and obligations related to the protection of human and animal health on the basis of Community legislation. Preferred measures to implement this flexibility are common permanent rules and common permanent but exceptional rules on community level. In areas where this is not possible guidelines at community level should be developed so Member States can set local parameters. The system should ensure full transparency for all operators and control bodies and diminish unfair competition.

The discussion addressed a number of questions from the audience about the proposal for a new Council Regulation, the opportunities and risk that greater flexibility could bring to the organic sector and touched on the problems with multiple labelling/certification.

<sup>&</sup>lt;sup>4</sup> DG-Research "Support to Agricultural Policy - the impact of EU Research (1998-2004)", EUR 21464, P. 25.

# Session E 3: Intensification and conventionalisation of the organic sector

The presentation by Lawrence Woodward focussed on the IFOAM process of formulating principles organic agriculture. He highlighted that the organic movement has a number of different roots which have never been fully consolidated. These include bio-dynamic agriculture following the teaching of Rudolf Steiner, organic-biological as developed by Dr Hans Mueller, the writings and thinking of Sir Albert Howard and Lady Eve Balfour, the contribution of Schuhpan and Voisin on food quality, the silent spring of Rachel Carson; and Schumacher's writing on 'Small is beautiful'. IFOAM formulated the first seven principles in 1980 and the key concepts encompassed in these 7 founding principles were important to the founder member. Throughout the 80s organic farming increased and many organisations joined IFOAM, some without a full understanding of the founding principles.

The task force that was installed in 2004 had direct participation from all continents and involved several rounds of wider consultation with the membership of IFOAM, resulting in a vote at the General Assembly in 2005 where the principles were adopted. The task force agreed that the reformulated principles should be ethical and state what organic agriculture should be, whilst at the time be simple. The areas where most debate took place were the concept of holistic health and how this can be defined, whether the soil should have its own principle, whether to include local marketing and how equity could be respected, whereas the area of cyclical production was uncontroversial. The non-European members of the task force were concerned that local marketing was very close to protectionism and could introduce barriers to trade. The discussions about animal welfare highlighted cultural differences around the world. The final text of the four principles should be seen together with the explanatory text which is very helpful for producers, because it addresses many of the contentious issues and provides examples.

The paper of Henning Best from Germany addressed the question whether the motives of recent converters are in line with the conventionalisation hypothesis that states that "Organic farming is becoming a slightly modified version of modern conventional agriculture, replicating the same history, resulting in many of the same basic social, technical and economic characteristics" <sup>5</sup>.

The reasons for this development have been summarised by Buck et al. (1997)<sup>6</sup> as the involvement of agribusiness corporations, economies of scale, and the power of the market. Additional reasons for conventionalisation could arise from reasons subsidies, and high price premiums resulting in high rates of conversion. Consequences of conventionalisation would be larger farms, higher specialisation, mechanisation or industrialisation of organic farming practises and a lower proenvironmental orientation of new entrants. Best presented the results of a postal survey of 973 organic and 826 conventional farmers in the German *Länder* of Hessen, NRW, Niedersachsen. The presentation was based on the responses from those producers that adopted in 2000 and 2002 and conventional farmers that considered but decided against conversion to organic production.

The results showed that new organic farmers were less production oriented, more willing to protect the environment and take some economic risk and less concerned about securing the farm income then conventional producers that considered but did not adopt organic farming. Organic producers appreciated the subsidies. The results show that environmental concern remains a decisive factor in the decision.

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<sup>&</sup>lt;sup>5</sup> Hall, A. and Mogyorody, V. (2001). Sociologia Ruralis **41**:399-422.

<sup>&</sup>lt;sup>6</sup> Buck, D., Getz, C. and Guthman, J. (1997). Sociologia Ruralis **37**:3-20

The motives found therefore stand in contrast to the conventionalisation hypothesis which implies that environmental concern is lower among new entrants. However, this does not mean that there are no reasons for some concern with the current development which are highlighted in the written paper.

The next presentation by Ola Flaten from Norway was concerned with a very similar question studied using the case of organic dairy producers in Norway, where approximately 2 % of the national milk production is now organic. The presentation was based on the responses from 161 farmers to a survey about attitude to and management strategies for risk, supplemented by data from the milk reporting and cattle health service data. The farmers were categorised into three groups: conversion in 1995 or before, between 1996 and 1999 and since 2000. The results show some difference: early converters grew more vegetables and have more diverse enterprise structure; early and mid converters use less concentrate and have lower milk yields. However, although milk production on the more recently converted farms is more intensive it remains less intensive then the national conventional average. Disease treatment incidence was also found to be higher for later converters, but early converters use more alternative medicine so they may underreport on their practises.

The questions about motives showed that economic motives are more important among later converters as is professional challenge. He concluded that new converters appear to be more pragmatic and business oriented but that differences also exist between the more established organic producers. The majority of new entrants also expressed some environmental concerns and appear committed to farming organically. Some tensions between the views of organic farmers can be observed and producers going far beyond the minimum standards may prefer separate and stricter standards. It is also likely that pragmatic and committed organic producers may react differently to changes in prices, farming policies and in organic regulation and that those that decided to farm organically mainly for economic reasons may be more likely to return to conventional farming if the economic circumstances change.

The discussion covered the two separate aspects of the presentations, the IFOAM principles and papers about conventionalisation hypothesis.

The discussion of the IFOAM principles focussed on the following questions:

- Was the process of reformulating principles truly participatory?
- Did the process of setting principles start with a clean sheet, or did it feel that it they were bound by the founders?
- Will the principles change again?
- Will the further development of globalised food distribution for organic food be in line with the IFOAM principles?
- How can the principles be communicated to all stakeholders?
- How will the IFOAM principles affect the standards of the certification bodies that are members of IFOAM?
- Why do organic standards allow conventional inputs, if the principle of ecology exists?
- Should organic certification be a business?
- How can these principles be included in the EU regulation?
- What can the EU learn from IFOAM in terms of stakeholder consultation in a democratic process of formulating principles?

Apart from some clarification of the detail of the 'conventionalisation' hypothesis the discussion focussed on the following questions.

- Have the presented studies really tested 'conventionalisation'?
- Can one-off surveys test a hypothesis that implies changes over time?
- Should we focus on studying changes in practises (such as reduction in the number of enterprises, ongoing specialisation also on established farms) and other drivers rather than attitudes in investigating 'conventionalisation'?
- How is it considered that new entrants also change their point of view over time and may become more 'organic'?

### **Concluding remarks**

The sessions illustrate that there is a great interest in debating regulations and standards. The input from the representatives of the Organic Farming Unit of the European Commission provided valuable insights into the background and thinking behind the new proposal for the Council Regulation. There was considerable number of questions from the audience about the Proposal for a new Council Regulation, some of which could be addressed. Legislation on organic farming at European level has to cater for a considerable diversity in terms of stakeholder interests as well as for diversity in climatic, tradition, national policies and in the development of the organic sector. Some parts of the organic sector appear concerned about the stakeholder involvement and consultation as well as some details in the proposal, including the detail of some of the proposal for flexibility in Art 16.

However, the discussions highlighted that there also is a considerable amount of support for aspects of the new proposal, including the stating principles more clearly which could strengthen the self-reliance and integrity of organic farming. The discussion raised many interesting question that are of interest for further examination in the project in the three case study areas of localness, intensification and independency from conventional inputs. The presentation and the discussions illustrate that the three areas are closely interrelated, as illustrated by the example of the organic pig and poultry industry in the Netherlands that relates to local networks, to intensification and also to input use. Similarly the role of supermarkets not only is important in the context of the question of localness of organic food chains, but also related to the relationship with the conventional sector and food distribution systems.

### Annex I: Program Theme 3 "What should be the rule?"

Session/Title	Presenter	Organic E-print #			
A 1-3 Plenary for Topic 1					
Overview of European research in organic food and farming	Stephan Lange BLE				
Overview of European Organic Farming Policies	Matthias Stolze FIBL				
The proposed Council Regulation	Herman van Boxem, DG Agriculture EC				
B 3 Debating the proposed Council Regulation					
IFOAM EU: The Revision process from the view of the IFOAM EU group COPA- COGECA The benefits of free trade Suggestions for improvement from ORGANIC REVISION project	Marco Schlüter IFOAM EU group Johannes Nebel COPA-COGECA Erik Steen Kristensen DARCOF				
C 3 How local is local? – The issue of distant trade					
Why nearness is an important value in organic agriculture: the case of the Netherlands	Jan de Witt Louis Bolk Institute	7319			
Localness and the new orthodoxy? Critical reflection on localisation of food systems	Chris Kjeldsen DIAS	7658			
Regional Players in between conventionalisation and regional development: Are supermarkets the wolves in sheep's clothing?	Heidi Leitner Agricultural University Vienna	7211			
How to measure and eventually regulate localness?	Hugo F. Alrøe DARCOF	8318			
D 3 Rules, flexibility and regional variation					
Regional variations in standards - chance or a problem?	Otto Schmid FiBL	8177			
Recommendations to the formulation of EU regulation 2092/91 on livestock production	Susanne Padel UWA	7348			
What kind of analysis and needs are seen from DG-Agriculture's point of view?	Kim Holm Boesen DG-Agriculture EC				
E 3 Intensification and conventionalisation					
Principles of Organic Agriculture - worldwide participatory stakeholder process	Lawrence Woodward Elm Farm Organic Research Centre	7115			
Are the motives of recent adopters in line with the conventionalisation hypothesis?	Henning Best Köln University	7114			
Organic dairy farming in Norway in relation to the "conventionalisation" debate	Ola Flaten, Norwegian Agric. Economics Research Institute	7232			