

18th Organic World Congress

Written inputs from panelists of the Main Track Session

7B: [Re-thinking organic certification](#): Must Organic certification fundamentally change for an Organic world? (Fish bowl)

Tuesday, 14 October 2014 (14:30-16:00)

Re-thinking Organic Certification

Must organic certification fundamentally change for an organic world?

Background

Organic guarantee systems have evolved drastically in the past, accompanying changes in the uptake of Organic agriculture. From an originally fully stakeholder-driven and participatory process in the '70s and '80s, organic certification has become increasingly formalized and government-controlled. organic certification is a must-have for organic market access in more and more countries in the world, but is often not seen by producers to add much value beyond that. It claims to bring transparency and trust to the consumers, but it also delegates the judgment of agricultural practices to more or less anonymous entities. Certification is not designed to prevent fraud but it is expected to control and detect it. Organic certification and regulations are supposed to be tools to develop organic markets but at the same time create barriers to organic trade. Requirements for organic certification are continuously increasing and becoming more complex, yet organic certification is not seen as more reliable than it was a decade ago. Finally, standard setters are torn between the society's expectation that organic certification cover a wider range of sustainability topics, and the fear that more onerous requirements will inhibit conversion to Organic. All these paradoxes are becoming increasingly apparent as the organic movement reflects on how to scale up Organic Agriculture from a niche to the mainstream way of farming.

Session Objectives

The session will discuss the future evolution of certification (and guarantee systems in general) and how it should adapt to changes, as well as help bring changes we want to see for the sector. The session will help shape (a) possible scenario(s) for radical change in the way that organic certification is conducted, organized, and overseen.

Leading Questions

- What are the current challenges and failures of organic certification?
- What will producers expect/require of certification in the future?
- What will consumers expect/require of certification in the future?
- Can certain outcomes currently expected of certification be delivered in other more efficient ways?
- Should certification take on aspects that it is currently not addressing, and, if so, how?
- What are short-, medium- and long-term solutions to reform certification drastically?

Methodology: Fish Bowl with 4 panelists and 2 open chairs

Moderator/Rapporteur: Matthew Holmes/Patricia Flores

Speakers

- David Gould, IFOAM, USA
- Gerald A Herrmann, Organic Services, Germany
- Laura Montenegro, Argencert, Arjantin
- Hanspeter Schmidt, Hpslex, Germany
- Gabriela Soto, IFOAM WB & CATIE, Costa Rica
- Leslie Zuck, Pennsylvania Certified Organic, USA

Gabriela Soto¹ and Le Coq, J.F.²

Organic certification was a leader in certification processes around the world. The process initiated by farmers and consumers, moved then to government control, ISO accreditation and private certification companies. Some farmers' own certification bodies still remain, but it is more and more difficult to compete in a business frame with large transnational companies and increasing accreditation requirements. In this process we may have gained better control, but we lost consumer communication and farmer empowerment. Not just we lost it, but the relationship between the certification process and the farmers, is in many cases contrary to the principles of fairness and care. We must change the system we created, since it is opposite of what we believe is the essential value of organic farming. Changes can be done in the short, medium and long term. A basic change will be to separate control from communication. The low perception EU logo perception in the EU, is could be linked to poor communication than to poor performance from the EU certification process. Control could continue to be done with the government, but communication is better done by private, farmers own systems. Consumer awareness, understanding and communication needs to be improved. It is mainly the interest of the producers and the market to improve this communication flow. A brand / seal, owned and managed by farmers and consumers, well known in Europe, could also be the strategy for local markets in Latin America. Examples are already being implemented in Brazil and Peru.

Access of farmers and consumers to standard development needs to be improved, as well as local adaptation of the standards. It could be done by the development again of private standards or with a better participation in government definition. Another main complain among farmers is the variation of the interpretation of the standards, among inspectors and certification bodies. Record keeping continue to constrain access of small farmers and indigenous people, where writing is not a familiar practice. More creative systems on record keeping need to be developed, or **certification systems based on social guarantees than in written evidences.** Certification costs continue to be a limitation for small farmers all around the world. The increase in costs is due also to accreditation costs. Government should assume accreditation costs, and support certification costs. Can we go back with what we started when certification was initiated? Similar to a PGS, recognized by governments, control by farmers and consumers, taking the best of the actual third party certification, but using a farmers owned and control system?

¹ Universidad Nacional, Costa Rica. Coordinates the master program in Ecological Agriculture. And is President of the Certification Agency EcoLOGICA, farmers own certification body in Costa Rica.

² CIRAD, Francia. Economist and researcher in certification impacts on coffee production.

Both authors are researchers and practitioners of certification process. Both authors wrote:

Soto, G. and Le Coq. J.F. Certification process in the Coffee Value Chain: achievements and limits to foster provision of Ecosystem Services. And, Le Coq, J. F., Soto, G. and González, C. 2011. PES and EcoLabel: a comparative analysis of their limits and opportunities to foster environmental services provision. *In* Rapidel, B. DeClerck, F., Le Coq, J.F. and Beer J. 2011. Ecosystem Services from Agriculture and Agroforestry.

More data on the provision of Ecosystem Services from organic farming needs to be documented and communicated to consumers and the scientific community.

Gerald A. Herrmann³

Short Bio: Gerald A. Herrmann has pioneered the organic sector and is a world-wide renowned expert and speaker. After gaining his university degree in agriculture (1985) he was engaged almost two decades shaping Naturland as organic farm consultant, President and Executive Director, and serving voluntarily in different structures of IFOAM, amongst others as its President. Today he is partner and director of Organic Services, an international consultancy specialised in organic food and farming, sustainability and development matters.

Session ideas

The current inspection and certification system does not foster extension of organic, it rather restricts organic to its “niche”, although it is certainly an achievement for the organic sector that must be recognised as it provides legal security for the business to do business. It is also obvious that the system does finally not create the trust consumers expects. Hence, the focus for re-thinking organic certification should go beyond the tools currently applied. It is rather a question of what new and innovative tools can be implemented by the sector itself to complement organic certification. The decisive question is: what can be done, without adding just bureaucracy, but providing real value for both the sector as well as consumers? Different activities and instruments are needed to create organic integrity that can provide support in developing organic markets.

Leading questions

What are the current challenges and failures of organic certification?

The system is too expensive and bureaucratic; it hinders development and innovation; it raises high expectations and pretends to be able to guarantee organic integrity, however the system is vulnerable and recent scandals contributed to undermine the confidence in certification. Whether certification bodies should be part of the public sector or sub-contracted private bodies is not finally decided. And last but not least, the international mechanisms for ensuring market access based on equivalence while keeping up confidence in standards/regulations are, especially from the consumer perspective, not yet found.

What will producers expect/require of certification in the future?

Producers want to focus on their organic production or manufacturing, innovations and market development, and less on bureaucracy. Certification is not questioned in general, however it should be limited to what it is: it is just a ‘must have’ to gain market access. The system should not be overloaded by adding a wider (too wide) range of sustainability issues. It is up to producers and the market to create trust

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for additional claims that go beyond organic. Producers expect efficient, useful and competent inspection and certification procedures paying more attention to critical control points and less repetition of standardized control procedures. Relief of those which are low risk is necessary. Today's hot issues like the requirement for 'annual inspection visits for everybody' should be questioned.

What will consumers expect/require of certification in the future?

Consumer neither understand technical questions nor certification issues, consumer expectations are always (too) high. Consumers want to be assured to pay for real organic food which means that labelling and organic statements must be reliable and proven, and the system must be competent to detect fraud. Whether this is achieved by certification or any other means is of no importance to them.

Can certain outcomes currently expected of certification be delivered in a more efficient ways?

The responsibility for the truthfulness of any labelling or brand cannot be outsourced by those who want to make such claim to a third party. Responsibility has to be taken by those who make the promise to the next level in a supply chain, and finally to the consumer. Thus, any third party certification system needs to be complemented by an integrity system of the trade or vice versa.

Should certification take on aspects that it is currently not addressing, and if so, how?

No

What are short-, medium-and long-term solutions to reform certification drastically?

It is quite unlikely that the current certification system will be subject to a drastic reform. Third party certification has developed only over the last 30 years, and it will further proliferate to more/ other societal fields. In the food industry its time has only begun. The fact that it is designed and protected by (organic) regulations adds to this assessment. As long as the certification system is not delivering its promise (no fraud), it will be further detailed to close loopholes, because regulators and bureaucrats are frightened. Only by shifting the responsibility to those who make the 'claim', the true nature of certification as a service will become obvious. Certification is a tool and not the goal in itself. Only then, the service certification should deliver can be put at the right level – cutting an oversized system to its reality and need.

Hanspeter Schmidt⁴

Short biography

Law School University of Freiburg (Germany) and Athens, Georgia, USA (USA), Certified Specialist for Administrative Law, Coauthor (with Dr. Manon Haccius) of "EU Regulation "Organic Farming" – A Legal and Agro-Ecological Commentary on the EU's Council Regulation (EEC) No. 2092/91, Frankfurt 1998, 330 p., numerous publications

Description of the ideas about the session and the answers to the leading questions

- IFOAM should win back the leadership in the further development of organic production requirements. Such development should not be left to the law making routines in the governmental systems. IFOAM should use the skills and knowledge from among its membership to be the clear leader, not only with respect to detailing existing rules, such as the need to provide for an appropriate crop rotation, but also with respect to the strategy, not to detail certain aspects in statutory law.
- I discuss this using the example of the European Union: When the European Members of IFOAM approached the European Commission in 1988, they asked for legislation, which protects the claim "organic" against attacks from the conventional side. The EU Organic Food Law, that entered into force in 1991 as Regulation (EEC) No. 2092/91 was a friendly takeover of private norms by government: The statutory text followed quite closely, what the major organic growers organizations had drafted as their own guide lines. These were rules very well discussed and drafted by practitioners.
- The EU law first covered plants. But then, a couple of year later, the actors in the organic sector no longer agreed on what they wanted to see in the law and the EU Commission took over control of the development of rules for organic animal products. Since then, the takeover of government in developing organic norms and organic controls, became considerably less friendly.
- In 2007 the text of 1991 was scattered in many disparate pieces and recollected in three separate Regulations. The European Commission made it clearly understood, that it is the Commission and not the organic sector, which would in future be the driving force. However, the texts presented and passed as the revised EU Organic Food Law were of a remarkably inferior logical and legal quality. The lack of legislative care became obvious.
- The control of organic imports was taken from the hands of national authorities in the Member States with a staff of five hundred heads and centralized at the

⁴ Attorney-at-law, hpslex Law Firm, Pro Bono Counsel to IFOAM. hps@hpslex.de

EU Commission with five staff members working on the issue. Controls of organic imports from non-EU-countries practically lapsed.

- Today it is the strategic positioning of the EU institutions among themselves - the Commission, the Parliament and the Council -, that control and determine the further development of organic regulation. Strategic infighting in the institutional structure of the European Union today plays a more important role in the development of organic regulation than any inputs from the practitioners in the organic sector.
- The associations of the organic sector practically seized to play an active role in the further development of organic norms and controls. At the end of the 1990s they had the impression, they will no longer be needed in standard development, but struggled to follow, what the EU legislators pushed for.
- Today the EU Commission purports the conception, that organic operators and organic certifiers failed to implement real quality in applying the general terms of the EU Organic Food Law in practice. The Commission alleges, that organic management plans should reflect the state of the art, but that they have not been implemented properly. Organic animal husbandry in practice does not prevent, this is the view point of the Commission, that animal health is not taken care of in organic husbandry, such as poultry, in an adequate manner.
- This has led to efforts by the EU Commission, to set up its own, internal think tank (EGTOP), to develop statutory requirements in ever more details. The practitioners of the organic sector, organized in the organic associations, are left out. They play no role in this development. It is rather, that the EU legislators, the EU Commission, which is the single EU institution, that may initiate any law, sees itself as solely responsible and capable actor, to advance the statutory setting for the further development of organic agriculture.
- This is a highly unhappy situation, since the outcome of such efforts, are of a remarkably low and confused quality. This is not necessarily due to a lack of good will, but to a lack of resources. There is no staff capacity, concerning the number and the professional experience of the persons involved, compared with the situation for example in the United States.
- Organic food is a side-play in the commission. From all this follows, that the associations of organic farmers and consumers must gain back control of the normative requirements. It should not be, that two handful of experts and EU Commission staff members practically decide, what the criteria for the assessment of animal health in organic poultry is or whether the use of adsorber resins for certain purification steps in the processing organic food is incompatible with the integrity of organic production.

- My first consequence is, that it is necessary, to win back a transparent manner to develop a standard requirements in the field of organic agriculture and processing of organic food. This has been completely lost in the European Union. The second consequence is, to abstain from inflating organic certification requirements concerning the CO2 footprint, the energy use, their general environmental performance etc. It is true, that the consumers would wish for a most comprehensive environmental and sustainable certification. And they would wish to include fair trade aspects.
- . Consumers, however, will not be comfortable with a certification that becomes more and more comprehensive, but thus less and less convincing. However, organic farming and its products will loose its clear profile in the market, when the needs of those, who produced it in the field and in the processing of plants are ignored in the further statutory development. Consumers will estimate it to see, that organic associations and organic certifiers concentrate on a more and more thorough and intelligent implementation of what is the core of organic production. This is farming.
- The practical complete whipping out of oversight to the practice of organic controls in Non-EU-Countries must be reinstalled. IFOAM accreditation could play an important role. The organic sector should lobby for this.

Laura Montenegro⁵

We are in the door of the new paradigm, the communication of values will be essential. In a global world, local developments change the meaning of standard and rules that are barrier at the level of international trade.

Local consumption and Producers Markets and Fairs: Education and market growth should be promoted at a local level by the establishment of new markets and the expansion of current local markets, fairs and community supported agriculture (CSA). To succeed these groups will need support from local and regional civil societies such as governments, special interest groups and organic industry.

About International Certification, looking ahead, the harmonization of different existing organic regulations in different countries, the equivalence of rules and cooperation between the countries involved is essential.

At the same time political will it is more powerful that everything else, we have good examples now a day, the agreement between the mayor consumer market or players in the world.

At the same time the concept of “organic certification” is the minimum requirements for food quality in different philosophical and religious currents.

At the present global certification bodies are concentrating almost in a few of them present in 160 countries, and local certification bodies related with the root of the Organic Movement in their countries are in ways of extinction **The only way is networking and cooperation between them.**

The whole concept of ethic not only in consumption, including the way we work and link with producers, traders will be more ethic.

Cost of certification, even group certification and every system is a big issue, and cost is related anyway. Governmental certifications it is cost anyway for the whole society

Benchmarking with other programs of Good Agricultural Practices it is essential. Inspection in Organic will be part of a big check list of requirement essential for food safety.

We hope the new challenge for IFOAM is to lead this task in the near future too.

⁵ Laura Montenegro

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In a global world the organic sector should embrace new technologies. For example, QR codes (codes readable with a cell phone) can be used to show specific information of a product, such as the history of the producer or the specific product attributes. This would help to re-enforce the link between the producer and the consumer.

Fraud is a big issue: More market surveillance and certification is not only an audit of management systems but a return to inspections based on risk assessments and wholesaler and retailer chain must be other focus. This helps towards preventing fraud.

Good examples of co-operation against fraud are in place now a day. The certification sector will hardly be compromised with the reduction of fraud.

In order to have a good system in practice the role of the public authorities, which have an action plan for organic agriculture in each country or region, must be considered. Any future with more and more regulations, control points and reports will simply not be viable, and would be the end of the small organic producers.

The biggest challenge of all is to reach the mass distribution of our values aimed at improving the quality of life for humans and the planet's health, along with a paradigm shift oriented organic production as a way of life.

We aim to encourage networking in every way, especially the youth of the world who are the inheritors of these new challenges.

Leslie Zuck⁶

As director of Pennsylvania Certified Organic, a certifying agency accredited by the US National Organic Program for 17 years, I have witnessed a significant shift in the perception of organic certification. I also have first-hand experience as my farm has been certified by various types of programs ranging from Biodynamic through the NOP regulatory program.

As a panelist, I would bring these perspectives to the discussion and I would also be available to present the NOP's Sound and Sensible initiative. This initiative is designed to address complaints that organic certification, which is required in order to market products as organic, is unnecessarily complicated, unreasonably strict, relies heavily on paperwork and is too expensive.

Responses to Leading Questions:

What are the current challenges and failures of organic certification?

As noted above. Not only are some producers shifting away from certification, many consumers may not have the trust in the label that they once had.

What will producers expect/require of certification in the future?

The certification label must be worth it to them. It has to be special enough to help them market their special product. It also has to make sense. In other words, it must have value. More than just a perceived value.

What will consumers expect/require of certification in the future?

This is a tough question. It seems consumers trust testing more than process. We are seeing a tremendous shift to non-GMO certification because it is "tested." Even though the product isn't the least bit organic.

Can certain outcomes currently expected of certification be delivered in other more efficient ways?

Yes, absolutely. But this could be a difficult way to go in countries where governments regulate organic certification.

Should certification take on aspects that it is currently not addressing, and, if so, how?

Organic standards mean a heck of a lot as they are. Perhaps some of the more

⁶ Executive Director, Pennsylvania Certified Organic. Owner / Operator, Common Ground Organic Farm

sustainable aspects could be better addressed within the verification process and certainly they could be better highlighted in ways that bring them to light for consumers. I have seen farm websites state that their farm shuns organic certification because it has nothing to do with animal welfare or soil health. These misconceptions are generally believed by non-certified producers and have spread amongst the consuming public.

What are short-, medium- and long-term solutions to reform certification drastically?

I would love to have this discussion! The dilemma over reforming certification is that farmers might want an even more process-based system, easier and more sensible audits, less paperwork, etc. I'm organic and I know it, why do I have to prove it with recordkeeping and money? But the downside is that consumers, in our high-tech age, tend to have less trust in a PGS type system than they used to. I'm talking about the grocery store public. Farmers market and CSA customers are more comfortable with a low impact, process-based system, or honestly none at all. Even though that's where organic started, it is now out in the mainstream and needs sound, enforceable standards to survive. Educating the public and providing research for farmers can also help strengthen any certification system, current or future. How does that happen? The government can do it, farmer and consumer groups can do it, or the organic community altogether can give it a try. Takes organization and money. In the US there is a movement towards raising research and promotion funding to heavily market "Organic" as a commodity. This initiative is led by the Organic Trade Association and is opposed, of course, by nonorganic commodity groups. Interestingly, it is also opposed by consumer and farmer groups that think OTA's efforts would only serve "big organic" to the detriment of small farmers.