



Data Network for better European organic market information

# OrMaCode: the Code of Practice and the future of the organic market data collection network

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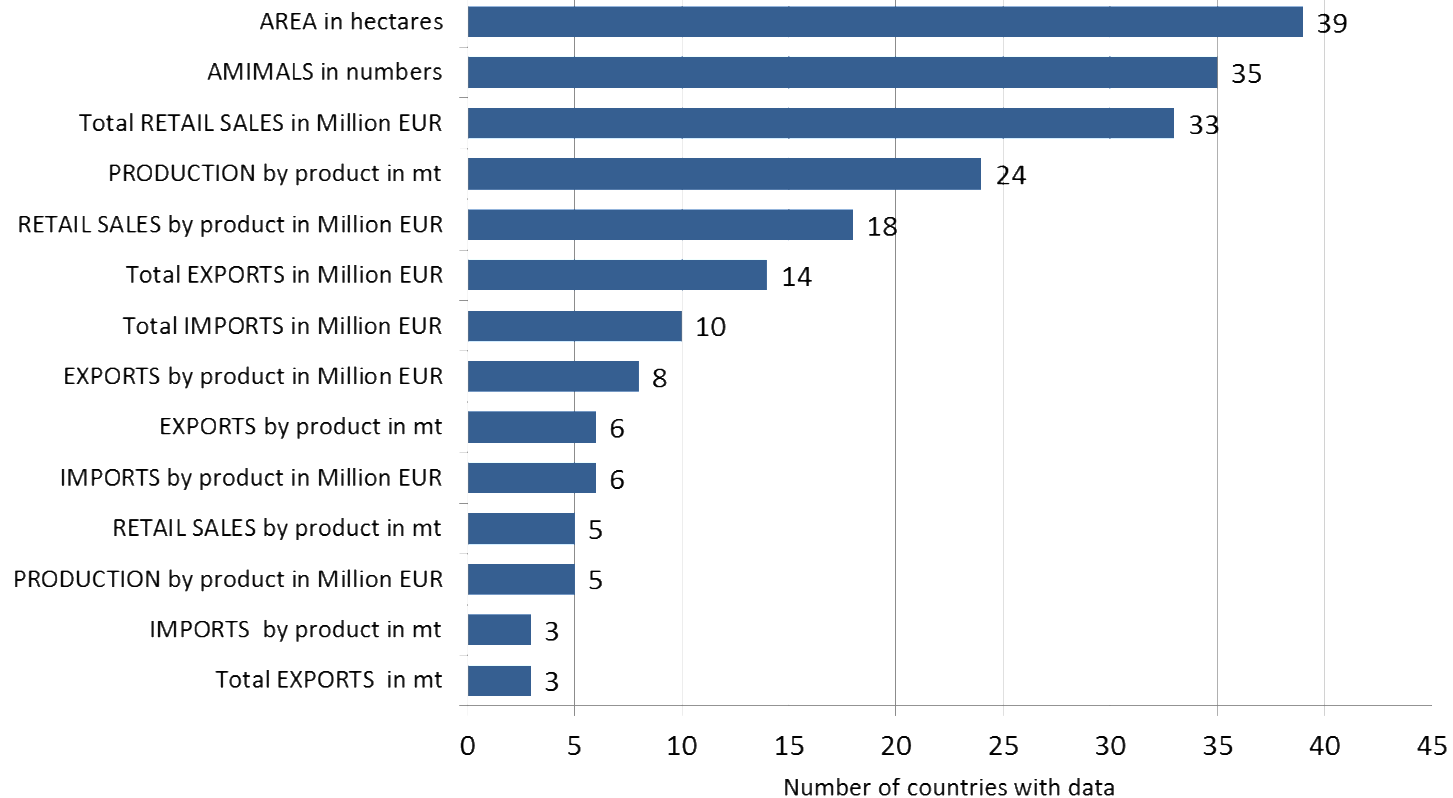


# What current figures don't say?

- ✓ When data are from non-Euro-zone countries (UK, DK, etc.) then **exchange rates fluctuations** even single country time-series analysis are difficult
- ✓ Cross country-comparisons become difficult because of different data sources, aggregation, definitions, and classification rules
- ✓ Data availability and quality vary across countries
- ✓ Extra-EU trade (import/export) data are missing in most countries
- ✓ Intra-EU data missing almost for all countries and difficult to cross-check



# Current data availability (2011 & 2012)



Source: OrganicDataNetwork Survey Based on International Data Sources (n=39)

?



# Challenges

- ✓ **Data is incomplete or totally lacking**
- ✓ **Lack of common definitions/classifications/aggregation rules across countries**
- ✓ **Poor quality of data**



# Incomplete data

- ✓ **Non-availability of data for key indicators**
- ✓ **No breakdown by crop or product for key indicators**
- ✓ **Incomplete breakdown by product for key indicators**
- ✓ **Data types that are available can differ between countries** (e.g. international trade data available in either volumes (Italy, Germany) or in value (Czech Rep., Denmark)).
- ✓ **Incomplete time series.**
- ✓ **Incomplete coverage**



# Lack of common definitions

- ✓ **Example: Livestock data**
- ✓ Expected data is “number of heads”, but these can mean “average stock”, “number of places” (in stables), or “animals slaughtered”.
- ✓ Currently a country-to-country comparison for livestock is not possible



# Lack of common classifications

- ✓ Almost every country uses different nomenclatures and classifications; only few use international classifications
- ✓ Example:
  - Denmark uses the UN's Standard International Trade Classification (SITC)
  - Czech republic the CPA codes (Eurostat)
- ✓ In countries, where the domestic market data are collected from panel data, usually the nomenclature and classifications of the major market research companies are used.



# Lack of common aggregation rules

- ✓ Data is often aggregated and a lot of details get lost in the aggregation.
- ✓ What makes things worse is that there is no harmonized way of aggregating these data, and country comparisons become difficult.
- ✓ Example:
  - In Switzerland, Bio Suisse groups breakfast cereals, with pet food
  - In case of retail scanner data, aggregation may change from one year to another, so that times-series comparison becomes impossible.





# Poor quality of data

- ✓ **Simple quality checks are often not performed i.e. comparison**
  - with the overall total [organic + conventional] area/production/sales/exports/imports,
  - with the data from the previous year(s) and
  - with the data of neighbouring/comparable countries
- ✓ **In addition:**
  - Organic yield < conventional yield
  - Organic area < total area
  - Organic sales < total retail sales
- ✓ **These simple checks often allow to find out many inconsistencies.**



# The Code of Practice (OrMaCode) and the manual

The Code of Practice for the initiation and maintenance of good organic market data collection and publication procedures (**OrMaCode**) consists of a list of principles/objectives and related indicators covering the different key areas of organic market data collection, processing, storage and publication /dissemination.

Associated to the OrMaCode a practical **Manual** will be produced. The Manual contains specific guidelines for applying OrMaCode. It also contains guidelines for the collection of relevant sets of data and how to ensure that quality criteria specified in the Code of Practice will be met.



[http://www.ormacode.organicdatanetwork.net/  
index.php?id=2877](http://www.ormacode.organicdatanetwork.net/index.php?id=2877)



# The Code of Practice (OrMaCode) and the manual

## PART A:

Implementation of an  
organic market data  
collection system

## PART B:

Code of Practice  
(OrMaCode)

## PART C:

How to establish and  
implement an organic  
market data collection  
system (Manual)



# The OrMaCode

## WHAT

A code of practice for the initiation and maintenance of good organic market data collection and publication procedures.

## WHY

The OrMaCode is intended to help facilitate further progress in the field of organic market data development, production and dissemination in Europe.

## HOW

The OrMaCode is organised according to the same three sections of the European Statistics Code of Practice, and considers itself an extension to that specifically aimed at providing guidance and support to organic market statistical information providers.

# The European Statistics Code of Practice

The European Statistical System, as established by [Regulation \(EC\) 223/2009](#), has developed a [European Statistics Code of Practice](#) (ESCP) to ensure “independent high quality information on the economy and society” in Europe.



The European Statistics Code of Practice is based on **15 Principles** covering

- the institutional environment,
- the statistical production processes and
- the output of statistics.

A **set of indicators of good practice for each of the Principles** provides a reference for reviewing the implementation of the Code.



# Institutional Environment

- How to ensure professional independence and avoid misuse of organic market data
- How to ensure cooperation among bodies and a long-term collaboration/network
- How to achieve institutional commitment to the collection of a wide range of organic market data in relevant institutions

Institutional Environment

Work in progress

## An example

### Principle 2 (Mandate for data collection):

The production of market data should preferably be delegated by law or regulation. Institutions collecting data may include organic control bodies, statistical offices, other state and semi-state bodies and market research companies as well private institutions. The OrganicDataNetwork should cooperate with all relevant organisations engaged in the development, production and dissemination of organic market data.



# Statistical Processes

- How to harmonise classifications to Eurostat (for area/crops) and CPA (for products)

- How to harmonize methods

- How to avoid duplication and reduce over-surveying

Statistical Processes

Work  
in  
progress

## An example

### Principle 7 (Sound Methodology):

Sound statistical methods are a vital contributory factor when it comes to organic market data quality. The OrganicDataNetwork promotes a higher degree of harmonisation of procedures, classifications and definitions among all member organisations.

# Statistical Processes/2

- How to improve data quality and quantity for each data category: (Production, Retail sales, Price at farm level, International trade, Catering sales, and Consumer price data)

- How to implement more consistency checks to validate the data (e.g. triangulation, cross-checking, periodic external reviews, etc.)

Statistical  
Processes/2

Work  
in  
progress

## An example

### Principle 8 (Appropriate Statistical Procedures):

Organisations engaged in organic market data development, production and dissemination should employ appropriate statistical data collection procedures specifically defined for each data category. Where possible the areas covered should include as a minimum production areas, volumes and values; retail volume and values; catering volume and values; import and export data; and prices at farm level and at retail.



# Statistical Output

- How to improve timeliness, punctuality and accessibility of data (incl. business models)
- "Early release of inaccurate data is worse than no release": how to balance quality and availability of data
- How to give better and more complete access to data that are already there

Statistical  
Output

Work  
in  
progress

## An example

### Principle 12 (Accuracy and Reliability):

To ensure accuracy and reliability, all organic market data should be validated by means of consistency checks and periodic reviews. As far as commercial confidentiality allows, all data should be reviewed by at least one independent individual who is not directly employed by the people or lead organisation collecting and processing the data.



# Conclusions

- ✓ According to European Statistics Code of Practice (Eurostat), market data need to be:
  - Accurate & Reliable
  - Timely & Punctual
  - Coherent & Comparable
  - Easily Accessible
- ✓ Besides, the resource allocated to data collection should be adequate.



# Conclusions: beyond OrganicDataNetwork

To achieve these quality standards, we have produced a **Code of Practice and a Manual** for organic market data collection

In the future we need to:

1. **Close data gaps**
2. **Harmonize data collection methods**
3. **Improve existing collection efforts in selected areas**
4. **Apply satisficing quality checks to all data collected**
5. **Harmonize data classifications and data collection operations**
6. **Enable continue exchange of experiences among data collectors.**



# Acknowledgements

This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement No. 289376. The opinions expressed in this contribution are those of the author and do not necessarily represent the views of the European Commission





Data Network for better European organic market information

Thank you!

[www.organicdatanetwork.net](http://www.organicdatanetwork.net)



# Statement on data collection and EU Regulation

- ✓ Based on first results and first stakeholder workshop

*One major obstacle is that data already collected is not used due to **lack of harmonisation***

*Commission Regulation (EC) No 889/2008 Art.93 (2) on statistical information to be provided by the Member States should be **fully implemented** in the Member States.*

*Additionally to Commission Regulation (EC) No 889/2008 Art.93 (2) **collection of turnover data from processors, wholesalers, retailers, importers and exporters should be made mandatory.***



# Statement on data collection and EU Regulation

*Commission Regulation (EC) No 889/2008 Art.93 (2) should more precisely define the statistical data referred to and should seek **harmonisation in the product classification and nomenclature**, with specific reference to Eurostat codes. Furthermore, production data on volumes should be collected by product or product group respectively.*

*To increase the use of data collected by control bodies, it needs to be coupled with the **harmonisation of definitions and concepts used in the inspection system.***



# Statement on data collection and EU Regulation

- ✓ *Additional improvements in data collection can be achieved by the administrative authorities through:  
a unique and permanent identifier for each inspected operator (e.g. tax code or any other unique code used at national level)  
Commission Regulation (EC) 2286/2003 on the Community Customs Code should be amended by **rendering mandatory for import/export operators the C644 code** (Certificate of organic inspection) in Box 44 of the Single Administrative Document (SAD) when importing/exporting or re-exporting organic products. Besides an **extra digit** should be appended to TARIC code on relevant organic products, as already experimented by the Italian custom authorities in 2012 for cereals and oilseeds. This will allow the improvement of current foreign trade data collection by differentiating organic and non-organic trade.*

