

Regional variations in standards – problem or opportunity?

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Abstract – A preliminary analysis and evaluation is made of the differences between the various organic standards and of the different implementation rules of the EU Regulation 2092/91 in Europe. This is part of an EU-funded project on the revision of this regulation. These preliminary results show that many differences have specific justifications, which are strongly influenced by specific national or regional circumstances or policy environment. The potential for more regional variation is discussed.¹

INTRODUCTION

15 years after EU Regulation 2092/91 for Organic Agriculture came into force, its implementation in the Member States still varies widely. Furthermore, private standard-setting organisations and some governments within and outside the EU already had long-established, detailed organic standards. Are these differences a problem or an opportunity?

METHODOLOGY

The differences among various standards for organic agriculture were analysed. The source data consisted of submissions from standards experts to the Organic Rules database (www.organicrules.org) within the EU-funded project Organic-Revision. The main focus was on the nature and the justification of variations in 21 standards or implementation rules for organic food and farming in different countries in Europe (Basis: March 2006, 595 submissions). After a consistency and quality check, the first step was to categorize and compare the submissions. Secondly, the differences/justifications were analysed with a criteria matrix relating to national and regional circumstances (examples of the criteria include history and market development stage, national laws and policies, etc.). Potential areas for “regional flexibility rules” were examined.

RESULTS

Differences among organic standards and national EU regulation implementation rules are often related to regional socio-economic and cultural factors and agriculture structures. Climatic and soil conditions influence animal husbandry practices, etc.

Thematic areas with more detailed rules

Many private and national standards exceed the EC Regulation with more detail in the following thematic areas (% of all standards in database)

- Whole farm conversion requirement (42%)
- Animal husbandry (71%)
- Specific plant production requirements (52%)
- Prohibited inputs in plant production (52%)

Main subject areas with comparable rules

Many detailed rules can be found in the following areas, which might be considered for harmonisation.

- Whole farm conversion requirement (10/21)
- Detailed standards on wild harvesting, mushroom production (7/21)
- Specific production rules perennial crops (7/21)

Areas of regional variation include the following:

- Limitation of nutrients/fertilisers per ha (9/21)
- Detailed crop rotation requirements (7/21)
- Limitation on copper application per ha/ year, differentiated according specific crops (6/21)

Table 1 shows areas of animal husbandry with regional standards more detailed than the EU.

Table 1. Examples of differences found in several standards

Paragraph EU Reg. 2092/91	Topic/ subject area	Nature of differences in standards	Summary of standard text (ratio: No. of standards/ total no. evaluated)
Preamble	General principles	General principles include a holistic approach.	Detail on areas such as closed cycles, environmental responsibility, unadulterated food, social accountability (8/21)
Animal feed/ Animal nutrition - Annex IB4	Fodder from own farm	Minimal share of fodder has to be produced on farm.	Farms are required to produce at least 50 % of fodder for ruminants (6/21)
Housing and free-range Annex I B8, Annex VIII	Flock sizes in poultry	Max. number of individuals per stable and maximum flock size for poultry	Flock size is limited to 500/1000 individuals (6/21)
Free range ANNEX I B 1.4 and 8.3	Regular access to pasture/ outdoor area	Min. number of days of access to outdoor area/ pasture	Pasture/ outdoor runs for ruminants to be provided on at least 180 and up to 300 days per year. (6/21)

Subject areas with quite differing rules

A vast number of differing rules on further issues can be found in many standards. Some of these issues might be resolved either by allowing for regional variations* or by relying more on private Codes of Practice**.

- Non-organic animals brought into the farm*
- Poultry production (housing, etc.)*
- Beekeeping (siting of hives, wax, etc.)
- Stable size/housing standards (tethering, etc.)*
- Brought in fodder*
- Veterinary treatments
- Mutilations, dehorning
- Transport and slaughtering
- Processing**

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Analysis of the causes and justifications of differentiated regulations/standards

a) Specific national legislation and policies

Some countries have additional legislation on environmental protection, food safety and animal welfare with linked compensatory farm payments. There are differences on permitted agricultural inputs, e.g. the plant-based insecticide Neem (azadirachtin as active substance) can be used in some countries and is not permitted in others.

b) Differences linked to aspects of the EU Regulation

- Lack in the scope of EU regulation:

There are areas which EU Regulation 2092/91 does not cover at all, such as aquaculture, wine processing, the non-food area (fibre production), and biodiversity / landscape / wildlife conservation.

- Imprecise rules in the EU regulation:

Imprecise rules are subject to interpretation by national certification bodies. Terms such as "satisfactory proof", "appropriate" breeds / varieties, manure from "factory farming", dehorning "carried out systematically", etc. are difficult to define.

- Allowance for more restrictive national regulations:

In the livestock area, which is regulated by EU Regulation 1804/99, Member States are allowed to apply stricter rules. Examples of differences include rules on permitted conventional feed, brought-in animals, definitions of poultry systems, on-farm feed production, outdoor access requirements, etc.

- Limited national capacity and resources:

There are areas which can be implemented only with large funding investments, e.g. the creation of a national seed database or the compiling of annual input lists with commercial product brand names. Implementation of such provisions varies widely.

c) Market development stage

The analysis showed that standards are usually more detailed in countries with a well-developed domestic market for organic food. In more export-oriented countries, local regulations basically meet the EC Regulation requirements. A high level of organic consumer awareness may add to the pressure for more differentiated organic standards. Competition among organic farmers' associations and private organic labels seeking market differentiation within a country may also lead to more detailed standards.

d) History in organic agriculture

Countries with a long history in organic agriculture often have a clearer profile with regard to the principles of organic agriculture, which they are unwilling to compromise. In many of these countries, non-organic labels (e.g. animal welfare, fair trade or social accountability, integrated crop production, Eurepgap and others) compete with organic labels and push the organic standards to differentiate from related labels.

e) Influence of national stakeholder groups

Strong national lobby and interest groups (e.g. animal protection, consumer organisations) have influenced the standard setting or implementation process, resulting in tighter implementation rules at the national level (e.g. banning the use of copper fungicides in NL, exclusion of the use of nitrite/nitrate in meat products in DK). These

restrictions are often applied to all agricultural production and not only to organic farmers.

DISCUSSION

Are differences in standards a problem (challenge) or are they an opportunity?

It is desirable for organic agriculture to encompass basic aims and values. A regionally or locally adapted organic agriculture might need the flexibility to allow for regional variations. Many private standard setting bodies use their organic standards to differentiate themselves in the context of specific national circumstances.

However, it is important to assess the risks of differing implementation of the EU Regulation from various (poly-ocular) points of view. These risks might occur in the following 3 cases:

a. *Competitive disadvantages:* When competitive advantages occur, this can create market distortion, even more important as cost pressures rise.

b. *Loss of consumer trust:* Consumers may feel insecure and distrust organic products as not being truly "organic" as they perceive it. This problem might occur when rules are too loose, but not when standards create an added value for consumers.

c. *Lack of credibility when contradicting with own principles:* If standards seem to contradict one another, organic farming may lose credibility as a holistic system based on its own aims, objectives and principles, which imparts enough added value for consumers and citizens. However, more specific and detailed rules can also enhance credibility.

However, there may be contrasting conclusions regarding the need for harmonization of standards when considering private standards on one hand, and national standards at the EU and global levels on the other hand. Whereas there may be benefits to some differentiation among private logos, differentiation among organic standards at an international level can create distortion in the global market.

CONCLUSIONS

The preliminary analysis of differences in standards has shown that many differences are strongly influenced by specific national/regional circumstances or policy environment. The case for harmonisation in specific areas among private organic standards within each country should be considered in a different way to the arguments for international harmonization. Differences related to climatic/geographical conditions may be beneficial as regional variations as long as they cause no market distortion or problems of consumer distrust and credibility. However, implementation of regional flexibility in the EU Regulation must be a transparent process. It requires careful management with the full involvement of stakeholder groups to avoid injustice.

To conclude, harmonisation is not just a question of needing more rules or more balanced legislation. It requires the involvement of supporting projects, better communication, and more transparency and cooperation in the most crucial areas. Equivalence is the key, rather than homogeneity.