# ORGANIC CERTIFICATION IN THE UNITED STATES AND EUROPE

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The demand for organic food continues to increase in the United States and Europe. In the US, organic certification to the National Organic Standards is required for all organic sales. Europe has similar organic standards but separate certification requirements that must be met in order to gain access to the European organic market.

## **United States Organic Standards**

The US National Organic Program (NOP) was fully implemented on Oct. 21, 2002. The NOP is a federal law that requires all organic food products to meet the same standards and be certified under the same certification process. All organic producers and handlers must be certified by accredited organic certification agencies unless exempt or excluded from certification (under \$5,000 in sales, retailers)

The NOP preempts states from having organic standards that exceed the National Organic Standard. Nonprofit organizations, for-profit certification groups and others are prohibited from developing alternative organic standards. All organic food products must be certified to the National Organic Standards (NOS). The NOP prohibits organic certification agencies from exceeding or granting exceptions to the federal organic standards.

In order to qualify for using the organic label, producers and handlers must be certified by NOP accredited certification agencies. Both state agencies and private organizations may be NOP accredited. The Washington State Department of Agriculture (WSDA) is a NOP accredited state certification agency. All organic producers and handlers must implement an Organic Production and Handling System Plan that describes the practices and procedures that the operation utilizes to comply with the organic practice standards. Organic practice standards require protection of natural resources including soil and water quality, crop rotation, an IPM approach to pest management, and handling practices that prevent commingling and contamination. Organic producers and handlers must complete an Organic System Plan that describes the operations practices, lists all materials utilized in the operation, and describes the recordkeeping system utilized to track organic products produced or handled by the facility.

The NOS establishes the National List, which allows all nonsynthetic (natural) materials, unless specifically prohibited and prohibits all synthetic materials unless specifically allowed. Approved post harvest materials include biopesticides, sodium hypochlorite, chlorine dioxide, hydrogen peroxide, peracetic acid, citric acid and lignin sulfonate. Natural waxes such as carnauba and shellac are allowed as long as all the ingredients are natural, including any emulsifiers.

The NOS establishes four label categories based on the percentage of organic ingredients in the final product. These categories include 100% organic, organic, made with organic, and less than 70% organic ingredients. Each category has specific requirements regarding minor ingredients,

processing aids and labels. Organic labels must state which organic certification agency certified the product. The USDA organic logo and the certifier's logo (e.g. WSDA's organic logo) are not required to be on the label.

# Foreign Organic Standards

Many countries have established organic standards and have specific requirements that must be met for imported organic products. Under European organic standards, imported organic products must be certified by an ISO Guide 65 accredited certifier. ISO Guide 65 is an international standard for certification agencies. In Japan all organic products must be certified by an agency accredited by the Japanese Ministry of Agriculture, Forestry and Fisheries. In Quebec all organic products must be certified by an agency accredited by the Quebec accreditation authority.

# European Organic Standards

The European organic standards are quite similar to US organic standards with a few exceptions. European standards prohibit the use of sodium nitrate, giberellic acid and antibiotics. Organic producers that use these products under the NOS are not eligible to ship their products to the European Union. European standards also prohibit post harvest use of chlorine and lignin sulfonates.

Under the European Union organic standards, each member state (e.g. Germany, France) establishes a competent authority to regulate organic food products. These competent authorities provide licenses to importers that authorize them to import organic products. The importers must provide a list of the producers and handlers that are supplying the organic products. Each producer and handler must be certified by an ISO Guide 65 accredited certifier. The foreign certifier must provide a Compliance Statement for each organic producer and handler. Once the importer obtains the import license they can begin to import organic products. Each organic shipment must be accompanied by a Certificate of Inspection.

## The British System

The British organic market was valued at 1.6 million dollars US in 2002. Organic agriculture represents 4.3% of British farmland representing around 1,000,000 acres. Sixty percent of organic purchases are made by 8% of British consumers. Eighty-two percent of organic food is sold in supermarkets (US is 55%) of which 65% is imported. The primary reason British consumers choose organic food is taste followed by health and the absence of pesticides. Organic food is the fastest growing food sector in recent history, though growth has slowed from 40% in 2000 to 15% in 2003.

In the United Kingdom, the Department of Environment, Food and Rural Affairs (DEFRA) is designated as the competent authority. Under the European organic regulations (EEC 2092/91), competent authorities may establish standards that exceed the European organic standards. DEFRA has established higher standards under the United Kingdom Register of Organic Food Standards (UKROFS). The higher standards are primarily in regards to organic livestock. DEFRA authorizes the accreditation of organic certifiers within the UK. As of 2003, there were 11 certifiers authorized to provide certification within the UK. DEFRA also regulates the importation of organic food products from non-EU countries. DEFRA approves foreign

certifiers as part of the import licensing scheme and has approved WSDA, Oregon Tilth, and QAI as approved foreign certifiers.

### Sainsbury's—a British Retailer

Sainsbury's organic program began in 1986. Sainsbury's mission is to be the customers' first choice for organic food in the UK. They have 27% of the British organic market share and expect 200 new products in 2003. Sainsbury's recognizes that the growth in the organic market has slowed in the past two years but hope to maintain their lead role in the organic market by focusing on three key policies – UK sourcing, price and integrity.

It is their intention to source 100% of the organic meat and dairy products from British organic farmers by January 2004. By July 2003 they had achieved this goal with the exception of cheese. They also have pledged to increase their overall supply of British organic food from 40% to 55% by 2004.

In regards to prices Sainsbury's policy is that prices should reflect the true cost of organic production and customers should be aware of the true cost of organic food. They do not believe in subsidizing the retail price of organic foods nor do they make additional profit on organic products. They are working to reduce the costs of organic foods through efficiencies within the supply chain.

There have been a few organic food scandals in Europe that have caused Sainsbury's to be very concerned about the integrity of organic food products. In Italy, a produce distributor was found to have sold over 32 tons of organic produce that was determined to be fraudulent. In Germany, organic livestock feed became contaminated with a banned pesticide in a storage facility. These and other European food safety scandals (e.g., Mad Cow Disease) have caused Sainsbury's to focus on maintaining integrity in their organic program. They believe that customer trust and integrity are paramount. Sainsbury's customers expect organic certification to be harmonized and standards to be equivalent. Sainsbury's customers often ask how can they have confidence in imported food and know that it's truly organic. Sainsbury's commitment to integrity has led them to support the International Federation of Organic Agriculture Movements (IFOAM) accreditation program. Since January 1, 2003 they have required that all of their label suppliers are certified by an IFOAM accredited certifier. Sainsbury's is the only major UK supermarket that is an IFOAM member. Sainsbury's believes that its commitment to IFOAM will be a competitive difference as they attract new consumers concerned about organic integrity.

#### **IFOAM**

The International Federation of Organic Agriculture Movements (IFOAM) main function is coordinating the organic movement around the world, through numerous international, continental and regional conferences and through its publications. IFOAM has created an accreditation program whose purpose is to set an international organic standard that is acceptable throughout the world. The IFOAM accreditation program is required in Sweden and by certain European buyers. The IFOAM accreditation program is beneficial in many other European markets as well as in Japan, Korea, Australia and New Zealand.

IFOAM is an international membership organization that promotes organic agriculture worldwide. They have 850 members in over 50 countries. The IFOAM accreditation program is managed by the International Organic Accreditation Service (IOAS). There are currently 28

IFOAM accredited certifiers representing over 50% of the globally traded organic food products. In the United States, CCOF, QAI, OCIA and FVO are IFOAM accredited. WSDA applied for IFOAM accreditation in June 2003 and plans on obtaining IFOAM accreditation for the 2004 harvest season.

### **Summary**

Organic standards in the United States have been harmonized under the National Organic Program. All domestic organic production and handling must be produced and handled in accordance with these new federal standards. The NOP was fully implemented in October 2002 and the USDA organic logo is now recognized by many consumers as a sign of organic integrity and has led to increased consumer confidence in the organic label.

Organic standards in Europe are similar to US standards with some additional restrictions. Organic producers and handlers interested in exporting to Europe must be aware of the additional requirements. Additional information about the National Organic Program, European organic standards and certification is available from WSDA at (360) 902-1805, email: <a href="mailto:organic@agr.wa.gov">organic@agr.wa.gov</a> or on the web at www.agr.wa.gov/foodanimal/organic/default.htm.