CERTCOST
economic analysis of certification systems in organic food and farming

REPORT ON EVALUATION OF THE REVISION OF COUNCIL REGULATION (EEC) NO 2092/91, IMPORT REGIME IN TWO EXPORTING NON-EU COUNTRIES (TR, CH) AND ON AN INTERNATIONAL LEVEL

D 19

11. 10. 2011

Canan Abay

Özlem Karahan Uysal

Bülent Miran

Murat Boyaci

Ege University, Faculty of Agriculture, Department of Agriculture Economics, 35100 Bornova, Izmir, Turkey

Beate Huber

Matthias Stolze

Research Institute of Organic Agriculture, FiBL, Ackerstrasse, 5070 Frick Switzerland

This report provides an evaluation of the new EU import regulation for organic products (Council Regulation (EC) 834/2007, Commission Regulation (EC) No 1235/2008). To ensure that the evaluation addresses the issues and concerns of the stakeholders affected by the new import regulation and to increase the use of the evaluation results for upcoming decisions, this evaluation was organised as a stakeholder evaluation approach.
Based on the results from two national workshops in third countries (Turkey and Switzerland) and from one international workshop, the report concludes in policy recommendations to improve the import system for organic products as well as the organic sector as a whole.

Index

List of tables

List of boxes

Abbreviations

AFI	Anti-Fraud Initiative
CA	Control authority
CB	Control and certification body
EU	European co-operation for Accreditation
EOCC	European Organic Certifiers Council
EU	European Union
IFOAM	International Foundation for Organic Agriculture
n	Number of respondents
NGO	Non-Governmental Organisation
NOP	National Organic Program
OFIS	Organic Farming Information System
WP	Work package

1. INTRODUCTION

1.1. Background and scope of the report

Organic imports from third countries represent an important part of organic products consumed in most EU Member States (European Commission, 2010a). In Denmark for example, in 2008, almost 10% of the organic products were imported from third countries representing a value of 16.6 Mio Euro (Kilcher et al., 2011). In the EU-15, the number of EU operators certified as importers of organic products from third countries has increased from 1300 in 2002 to 2340 in 2007, which corresponds to an annual growth rate of more than 12% (European Commission, 2010a).

By adopting Council Regulation (EC) No 1991/2006 in 2006, the EU replaced the previous import regulation for organic products. Hitherto, the majority of organic imports were imported on the basis of import authorisations. Currently, only ten countries are on the list of recognised third countries in accordance with Article 33.2 of the Council Regulation (EC) 834/2007 the so called Third Country List: Argentina, Australia, Canada, Costa Rica, India, Israel, Japan, New Zealand, Switzerland and Tunisia. These countries have demonstrated that they have national organic production rules and control systems that are equivalent (see Box 1) to Council Regulation (EC) 834/2007 and Commission Regulation (EC) 889/2008) for certain products (European Commission, 2010b). With the Council Regulation (EC) No 834/2007 and the provisions concerning the arrangements for imports from third countries (Commission Regulation (EC) No 1235/2008), the framework conditions for imports into the EU have changed considerably.

The new import system keeps the Third Country List as a major part of the system, but replaces the import authorisations by the Member States with two lists for control bodies operating in third countries. For import of organic products from third countries to the EU, there are now three options:

1. The EU Regulation on Organic Agriculture is applied in the third country exactly as in the EU member states, i.e. the products are “compliant” (see Box 2) with Council Regulation (EC) No 834/2007. The European Commission will establish a list of recognised “compliant” control bodies authorised to carry out inspections and issue certificates in third countries.

2. The production standards and control measures in the third country are “equivalent” to Council Regulation (EC) No 834/2007. In this case, the EU recognises imports as equivalent if
   a. the third country in question has been included in the European Commission’s list of recognised third countries (Council Regulation (EC) No 834/2007, art. 33.2), or
   b. the control body issuing the certificate is listed by the European Commission as an “equivalent” control body (Council Regulation (EC) No 834/2007, art. 33.3).
3. The operators in the third country apply production standards and control measures “equivalent” to Council Regulation (EC) No 834/2007 and the competent authorities of the member states grant an import authorisation to the EU importer (Commission Regulation (EC) No 1235/2008, art. 19). These authorisations may be granted until 12 months after the Commission publishes the first list of control bodies recognised as “equivalent”.

Option 1 and option 2.b can only be implemented once the respective lists are published. The first list of control bodies (option 2.b) applying equivalent standards is expected to be published in 2011. However, recent delays make it difficult to predict the publication of the first list of control bodies applying a compliant scheme (option 1). The Commission anticipates an exhaustive evaluation process to assess compliance with the EU Regulation. This is to prevent distortions in market competition that would endanger the competitiveness of European organic producers and to ensure consumer protection. The first application deadline for inclusion is in October 2011.

Option 2.a is already functioning since the system of recognised third countries has already been implemented under Council Regulation (EEC) No 2092/91.The procedure for import authorisations issued by the competent authorities of the EU member states will expire soon after the European Commission publishes the first list of recognised control bodies in third countries.

The procedure for recognition of control bodies operating in third countries has been initiated by the European Commission by setting the first deadline on 31.10.2009 for submitting applications for approval of certification bodies operating outside the EU. 72 certification bodies from within and outside the EU have submitted their applications (van Boxem, 2009).

The new import regulation for organic products is expected to provide opportunities for higher efficacy and lower bureaucracy of the import procedures (Neuendorff and Huber, 2009). However, the efficacy will very much depend on the implementation of the new import regulation, and its evaluation constitutes an important subject both from the standpoint of the EU and the third countries (Huber, 2008; Neuendorff and Huber, 2009; Anonymous, 2010; Pierce, 2010).

1.2. Objectives

This report provides a first evaluation of the new import regulation for organic products. The objectives of this evaluation are to provide an in-depth understanding of the strengths and weaknesses as well as the cost implications of the new import regulation for organic products. Furthermore, the report aims at formulating scientifically based policy recommendations for the EU Commission, national competent authorities and private actors from the organic sector.

To ensure that the evaluation addresses the issues and concerns of the stakeholders affected by the new import regulation and to increase the use of the evaluation results for upcoming decisions, this evaluation was organised as a stakeholder evaluation approach. More concretely, the principle of the stakeholder approach is its responsiveness to stakeholder issues and concerns. These were identified through document analysis and an internet survey, and then evaluated during a series of three stakeholder workshops held in 2010 and 2011.

After this introduction the methodology and the procedure of the stakeholder evaluation approach are outlined in chapter 2. In chapter 3 the results from the three stakeholder workshops are presented. Subsequently, the key findings of the series of workshops are discussed (chapter 4). Finally, chapter 5 concludes in policy recommendations.

Box 1: Definition of equivalency

Council Regulation (EC) No 834/2007, Article 2 describes 'equivalent' as different systems or measures, which are capable of meeting the same objectives and principles by applying rules which ensure the same level of assurance of conformity.

Box 2: Definition of compliance

Compliance is not defined by Council Regulation (EC) No 834/2007.

Compliance means literally and legalistically that regulations are fully met.

So, compliance requires that all requirements of Council Regulation (EC) No 834/2007 are fully met including any relating implementation rules and that the control body is formally accredited according to EN45011 (ISO/IEC Guide 65) with on-going surveillance by the accreditor.

2. METHODOLOGY

Vedung (1997) defines evaluation of public policies as an assessment of the "…merit, worth, and value of administration, output, and outcome of government interventions, which is intended to play a role in future, practical action situations" (Vedung, 1997, page 3). According to this definition, evaluation does not cover the entire policy cycle but focuses on i) the implementation, ii) the actions taken or products delivered by e.g. government services (policy output), and iii) the end results of the policy intervention for the stakeholders for whom the policy intervention was intended to serve (policy outcome) (European Commission, 2004, Weiss, 1998, Vedung, 1997). The definition provided by the European Commission (2004) limits evaluation to the "judgment of interventions according to their results and needs they aim to satisfy". For the evaluation of the new EU import regulation for organic products, we follow the European Commission's definition and focus the evaluation on the policy outcomes.

The development process of the revision of the organic farming regulation (Council Regulation (EC) No 834/2007) was criticised by the organic sector as regards insufficient involvement of the stakeholders affected by the revision (Schlüter and Blake, 2009). One important aspect in scientific literature on evaluation is the aspect of the use of an evaluation (Michelsen et al., 2008, Giordano and Bell, 2000, Weiss, 1998, Vedung, 1997, Green, 1987) to stakeholders, who are the political officials and state agency managers on the one hand and the clients who are affected by the policy intervention on the other. As a response to the participation demand of the organic sector stakeholders and in order to find a way that stakeholders could make direct use of the evaluation results, for this evaluation we chose the stakeholder evaluation approach.

There are at least three main arguments favouring stakeholder participation in evaluations (Vedung, 1997):

- Knowledge Argument: stakeholders have extensive knowledge about the evaluation subject.
- Utilisation Argument: distinctiveness of utilisation-oriented evaluation lies more in the process of the evaluation than in the product.
- Acceptance argument: stakeholder integration facilitates trust and credibility.

2.1. Stakeholder evaluation

The stakeholder evaluation approach is a responsive form of evaluation which aims to elicit stakeholder concerns and issues on the basis of qualitative methodologies. The

evaluator team acts as a convener of stakeholders who are likely to be affected by the policy intervention (Weiss, 1998). The evaluator's aim is to learn the stakeholders' issues and concerns, their questions and their assumptions. Thus, the evaluator's role is to organise and moderate the interaction with stakeholders. Due to its responsive form, the evaluator identifies the evaluation subject on the basis of stakeholder information (Weiss, 1998, Greene, 1987).

The stakeholder evaluation approach however has also several drawbacks. The most serious problem in this approach is that stakeholders could participate due to a highly politicised motivation: everything negative is perceived to be caused by the policy intervention, while every positive aspect is caused by something else (Vedung, 1997). Furthermore, there is the risk that not all stakeholder groups affected by the policy intervention might have the capacity and resources to participate in the evaluation process. This could lead to the situation that the best organised and most powerful stakeholder group might dominate the evaluation results (Vedung, 1997). It is therefore important to make the views of the different stakeholder groups transparent in the evaluation report and to consider the underlying values of the stakeholders when interpreting the evaluation results.

2.2. The CERTCOST stakeholder evaluation approach

According to Greene (1987), a participatory evaluation design should have the following elements:

1. identification of the evaluation subject,
2. identification of the evaluation participants (stakeholders),
3. identification of stakeholder issues and concerns about the subject,
4. formulation of the specific evaluation questions,
5. development of the evaluation design and methodologies,
6. implementation of the evaluation,
7. analysis and reporting,
8. feedback to stakeholders.

In this section, the CERTCOST approach to the stakeholder evaluation will be described according to the above mentioned structure.

Identification of the evaluation subject

The subject for evaluation in the frame of the CERTCOST project is the revised import regulation for organic products. More concretely, the new Council Regulation (EC) No 834/2007 on organic production and labelling of organic products and Commission Regulation (EC) No 1235/2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries.

To put the evaluation into the contexts of these two regulations, it is important to consider the rationale behind these regulations as documented in the respective preamble.

Council Regulation (EC) No 834/2007 highlights following aspects which are relevant in the context of the evaluation of the new import regulation for organic products (the respective paragraph in the preamble of the regulations is shown in brackets):

- To ensure fair competition and a proper functioning of the internal market in organic products, and maintain and justify consumer confidence in products labelled as organic (3).
- To improve and reinforce the Community's organic farming standards and import and inspection requirements (4).
- To ensure simplification and overall coherence and in particular to establish principles encouraging harmonisation of standards and, where possible, to reduce the level of detail (4).
- To define more explicitly the objectives, principles and rules applicable to organic production, in order to contribute to transparency and consumer confidence as well as to a harmonised perception of the organic concept.
- To provide for flexibility as regards the application of production rules, so as to make it possible to adapt organic standards and requirements to local climatic or geographic conditions, specific husbandry practices and stages of development (21).
- To maintain consumer confidence in organic products (22).
- To allow organic products imported into the European Community to be placed on the Community market as organic, where they have been produced in accordance with production rules and subject to control arrangements that are in compliance with or equivalent to those laid down in Community legislation (33).
- The products imported under an equivalent system should be covered by a certificate issued by the competent authority, or recognised control authority or body of the third country concerned (33).
- To maintain the list of third countries recognised by the Commission as having production standards and control arrangement which are equivalent to those provided for in Community legislation (35).
- For third countries which are not included in that list, the Commission should set up a list of control authorities and control bodies recognised as being competent for the task of ensuring controls and certification in third countries concerned (35).

Articles 32 and 33 of Council Regulation (EC) No 834/2007 lay down general provisions for import of organic products. A product imported from a third country may be placed on the EU market as organic provided that:

1. The product complies with the provisions set out in Council Regulation (EC) No 834/2007.
2. The import product provides guarantees equivalent to Council Regulation (EC) No 834/2007.

Identification of the evaluation participants (stakeholders)

The stakeholder groups relevant for the participation in the evaluation process were identified during a project meeting and followed the classification of stakeholder groups suggested by Vedung (1997). The following stakeholder groups (from EU and non-EU countries) were identified:

- farmers and their organisations,
- processors and traders (importers, exporters) and their organisations,
- consumer organisations,

- control and certification bodies,
- governmental representatives from the EU member states,
- competent authorities and accreditation bodies,
- supranational agricultural organisations (FAO, WHO, UNCTAD),
- extension services and researchers,
- customs (relevant) authorities,
- foreign trade authorities,
- residue monitoring and food safety authorities,
- NGO's relating to organic agriculture and environmental organisations,
- European Commission,
- other national programs for import regimes (US, China etc.).

The electronic contact details of the stakeholders were identified on the basis of a web search as well as on the basis of available contact databases of the project partners.

Identification of stakeholder issues and concerns about the subject

Stakeholder issues and concern were identified in a two step process. In the first divergent phase, a wide array of stakeholder issues and concerns about the new EU import regulation for organic products were collected on the basis of available documents including the relevant EU legislation, reports of the Standing Committee on Organic Farming, reports of the Advisory Group on Organic Farming, position papers of organic organisations, minutes, annotations to the EU legislation and research papers[1]. From these documents, issues and concerns were extracted and documented in a screening matrix. Double coding resulted in a list of 6 topics summarising 29 stakeholder issues and concerns (see Table 1).

[1] *We would like to express our gratitude to Elizabeth Rüegg from IMO, Samanta Rosi Belliere from ICEA and Prof. Dr. Ulrich Hamm from University of Kassel, for the efforts they made within the framework of this intensive literature review.*

Table 1: Stakeholder issues and concerns based on document review

No	Statement
General issues of the new EU import regulation for organic products	
1	Simplification as dealt with in the new import regulation compared to the old one
2	Transparency as dealt with in the new import regulation compared to the old one
3	Provision of opportunities for efficient and less bureaucratic procedures
4	Establishment of principles encouraging the harmonisation of standards
5	Effectiveness of the control system
6	Inclusion of organic principles
	Potential to become a role model for organic import regulations worldwide
8	Completeness of the new import regulation
9	Involvement of stakeholders in the revision process of the import regulation
Implementation in the EU	
10	Binding nature of the Guidelines for Imports
11	Procedures to ensure the update of the list of control bodies within a reasonable time
Governance	
12	Involvement of member states in evaluation and assessment procedures of control bodies and Third Country List
13	Definition of responsibilities between the European Commission, Member States and the Competent Authorities
14	Allocation of staff capacities and budget at the level of the Commission
15	Allocation of staff capacities and budget at the level of the Member States
16	Supervision of the competent authorities
17	Coordination by Commission to ensure harmonised procedures
Procedures in third countries	
18	Procedure for documentary evidence required for import of compliant products
19	Common interpretation of “compliance” according to Article 32 of Council Regulation (EC) No 834/2007
20	Common interpretation of “equivalency” according to Article 33(1) of Council Regulation (EC) No 834/2007
21	Procedure for third countries requesting inclusion in the list of third countries
22	Procedure for control bodies and control authorities requesting inclusion in the list of recognised control bodies and control authorities
23	Impact on the efficacy of the organic certification control system in third countries
24	Impact on the quality of controls in third countries
Impact on third countries	
25	Reduction of trade barriers / easier access to the EU
26	Impact on the livelihood of producers in developing countries
Impact on EU consumers and producers	
27	Impact on the competitiveness of European organic producers
28	Impact on the quality of the organic products imported from the third countries to the EU
29	Guaranteeing fair competition for products produced in- and outside the EU (equal requirements)

In a second step, the convergent phase, the 29 issues and concerns identified in the first step were narrowed down by asking stakeholders to select initial priorities. This was done in form of a web based survey (Survey Gizmondo) which was sent to 1527 stakeholders in June 2010 and completed in July 2010. Apart from questions to characterise the respondents (country of origin, type of organisation/company, experiences in organic business, familiarity with the EU organic import regulation etc.), the questionnaire included a prioritisation of the issues and concerns shown in

Table 1 using a seven point Likert scale (from “very unimportant” to “very important”). After two weeks, a reminder was sent out. Finally, 77 stakeholders completed the questionnaire.

Most respondents came from Europe (Table 2) with importers, governmental authorities and certification bodies (Table 3) being the most relevant stakeholder groups. More than 70% of the respondents had a more than six year professional experience in organic imports or certification respectively (Table 4).

Table 2: Country of origin of respondents’ company/organisation*

Value	n	Percent %
Germany	22	28.6
Switzerland	8	10.4
Spain	6	7.8
Netherlands	5	6.5
United Kingdom of Great Britain	4	5.2
France	4	5.2
Italy	4	5.2
Austria	3	3.9
Turkey	2	2.6
Egypt	2	2.6
Hungary	2	2.6

* Countries with only one respondent are not shown in the table.

Table 3: Type of the company or organisation the respondents work for

Value	n	Percent %
Importer	29	37.7
Governmental Authority	15	19.5
Certification Body	13	16.9
Other	9	11.7
NGO	6	7.8
Exporter	4	5.2
Processor	1	1.3

Table 4: Years of professional experience of the respondents in the field of organic import and/or certification of organic products

Value	n	Percent %
> 10 years	29	37.7
6-10 years	27	35.1
1-5 years	19	24.7
< 1 year	2	2.6

Data analysis resulted in a list of six most important stakeholder issues and concerns with respect to the new EU organic import regulation:

1. Common interpretation of "equivalency" and “compliance” according to Article 33(1) of Council Regulation (EC) No 834/2007.
2. Procedure for requesting for inclusion in the list of recognised control bodies and control authorities (including procedures to ensure updating of the list of control bodies within areas) / procedure for third countries requesting inclusion in the list of third countries.
3. Impact on the quality of controls in third countries / effectiveness and efficacy of the control system.
4. Coordination by the Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards.
5. Guaranteeing fair competition for products produced inside and outside the EU (equal requirements).
6. Reduction of trade barriers / easier access to the EU market.

Formulation of the specific evaluation questions

Based on the web survey results, specific evaluation questions for each of the six most important issues and concerns were formulated by the evaluator team. The formulation of the evaluation questions was guided by following criteria (Greene 1987):

- Questions are valid (based on empirical presumptions).
- Most stakeholders want, need, care about an answer.
- There is a high degree of uncertainty about the answers.
- Appropriate methodologies are available to obtain information relevant to the answer.

The specific evaluation questions are annexed to this document (Annex 1).

Development of the evaluation design and methodologies

To answer the evaluation questions, a bottom-up approach of a multi-stakeholder process was chosen. Multi-stakeholder involvement is believed to facilitate policy learning and innovation (Hemmati, 2002, IFOAM EU Group, 2006, Häring et al., 2009). This stakeholder process was organised in a series of three stakeholder workshops held in 2010 and 2011. Two workshops were conducted in third countries: one in a country listed in the Third Country List (Switzerland) and one in a country not yet recognised in the Third Country List (Turkey; which submitted its application for the Third Country List in 2003). Furthermore, an international workshop was held in Brussels with stakeholders from European as well as non-European countries.

Workshop participants were selected among representatives of the major groups of actors involved in activities affected by the implementation of the EU’s organic import regulation in third countries and in the EU. These stakeholders included control bodies, organic trade companies, governmental authorities, accreditation bodies and relevant NGOs. All workshops followed the same concept (see agenda of the workshops in Annex 2). Various group discussion techniques were employed such as brain-storming, focus groups and problem census that give more synergetic, comfortable and free environment for idea expression by the participants (Carman and Keith, 1994). These participatory discussion techniques facilitate group discussions for following reasons:

- Participatory group discussions are effective methods for creating synergy.

- All participants feel themselves as owners of the outputs.
- Different background and expectations of the participants are reflected in the results of the meeting.
- Note-taking during discussions helps in the reporting phase.

The workshop concept foresaw both small group discussions as well as plenum discussions. Each workshop started with an introduction to the CERTCOST project and a presentation of the new EU organic import regulation. To ensure that every workshop could be conducted in the same way and due to the fact that several moderators were required for facilitating the workshops, detailed guidelines on the workshop methodology were developed (see Annex 3).

Additional to the qualitative information gathered from the group discussions and to support the analysis of these, a structured survey was conducted in the national workshop in Turkey and the international workshop in Brussels (the number of participants in the Swiss workshop was too low). Workshop participants were asked to fill in the structured survey at the end of the group discussions. The first part of the questionnaire included questions on the characteristics of the survey participants. The second section aimed at gathering information on the experiences and views of the participants regarding the new EU import regulation for organic products. In this section, the evaluation questions asked during the discussion sessions were put into a format of questions with a five point attitude scale to measure the opinion of the individual participants. In some cases, open ended questions were used to collect suggestions on key issues (for questionnaire, please see Annex 4).

Finally, the third section consisted of a series of pairwise questions involving many choice possibilities designed for a fuzzy pair wise analysis of the relative importance/priority for the participants as concerns the six major issues dealt with.

2.3. Data analysis

2.3.1. Analysis of the group discussions

The analysis of the three stakeholder workshops were done separately. The basis for the analysis were i) the written notes of every group discussion section, ii) the posters developed during the group discussions and iii) the recorded tapes and videos of the group discussions. The analysis was structured along the six major stakeholder issues and concerns with regard to the revised EU import regulation for organic products.

For the national workshops the results of the discussions were reported along with the results of the structured survey, while the results of these two analyses were given under separate titles for the international workshop. This was because it was considered useful to give a more extensive analysis of the discussions in the international workshop in which a comparatively higher number of stakeholders with quite diverse backgrounds attended.

In the reporting of the discussions and results of the workshops the attempt has been made to report in a somewhat condensed and sometimes synthesised way on important views presented during the workshops and key results of the discussion. It has to be noted that this report is by its very nature exploratory, as was the objective. Thus, sometimes statements contradicting each other have been included as well as statements that were just made by one person and which did not reflect any group opinion. None of the persons present at the workshops can be held responsible for any

single statement in this report or for the report as a whole. The authors are very grateful for their crucial input to this report.

2.3.2. Analysis of the structured survey

The structured surveys were analysed using basic descriptive statistics to estimate the variables relating to the attitude scale questions. Frequency distributions of the categorical answers and the answers for the open ended questions were made.

For analysis of the survey data gathered in the international workshop held in Brussels, the participants were grouped according to the type of company/organisation they worked for and the years of experience they had in organic export/import and/or certification of organic products. In grouping according to company/organisation type, three groups were established: 1) exporters, importers and processors (n=7); 2) certification bodies (n=10) and 3) competent authorities and NGOs (n=11). The number of the experience groups was also three: a) up to 5 years of experience (n=8); b) 6-10 years of experience (n=6) and c) more than 10 years of experience (n=14). Differences in attitudes between different groups of stakeholders were analysed using the Kruskal-Wallis test. Since more differences were observed between groups with people of different experience than between groups with people from different types of organisations, mean values for age groups were given in Table 22 to Table 29. However, statistically significant differences between participants working in different types of organisation are mentioned in the text.

To analyse the stakeholder preferences for six issues in terms of their relative importance, Fuzzy Pairwise Comparison was employed. Fuzzy theory began with a paper on “fuzzy sets” by Zadeh in 1965. Fuzzy set theory is an extension of crisp set theory (Tanaka, 1997). Fuzzy sets are sets with boundaries that are not precise. Thus, fuzzy sets describe ranges of vague and soft boundaries by degree of membership (Lai and Hwang, 1994). The membership in a fuzzy set is a matter of a degree (Klir and Yuan, 1995). Fuzzy set is characterised by a membership function, which is allowed to choose an arbitrary real value between zero and one.

Fuzzy pairwise comparison was first used by Van Kooten, Schoney and Hayward (1986) to study farmers’ goal hierarchies for use in multiple-objective decision making. The first step of Fuzzy Pairwise Comparison approach is data collection by using a unit line segment. For example we have two different choices or issues, issue 1 and issue 2, which are located at opposite ends of the unit line. The decision maker is asked to place a mark on the line to indicate the degree of their preferred issue. A measure of the degree of preference for any issue in hand over another issue is obtained by measuring the distance from the decision maker’s mark to the issue in hand and named as R_{ij} . The total distance from the issue in hand to another issue equals 1 (Van Kooten et al., 1986).

The present paper employs six issues (in the following formula the number of issues is called n) which according to the web survey (see page 14 and 15) were identified to be the most important factors in the new import regulation. The number of pair-wise comparisons λ that are possible between these six issues can be calculated using the following formula:

$$\lambda = n * (n - 1) / 2$$

The formula gives fifteen pairwise comparisons for our analysis. Finally, a measure of preference of the issue i over another issue j, μ, can be calculated using the formula below:

$$\mu = 1 - \sqrt{\sum_{i=1}^{n} \frac{R_{ij}^2}{n-1}}$$

After comparison of all the issues with each other, a preference matrix called R is obtained. Ranking of the preferences of the stakeholders obtained from Fuzzy Pairwise Comparison was analysed by non-parametric statistical tests (Başarır and Gillespie, 2003). The Friedman test was used to test whether the issues were equally important within a block which is a stakeholder's issue rankings according to his/her preferences. Since six issues were presented in the survey, 15 pairwise comparisons were made by each stakeholder. Each comparison was placed in a row including ten values similar to Likert scale which are the degrees of the preferences for the issues currently under comparison. The null hypothesis is that there is no difference in the preferences between the issues. Alternatively, at least one issue is preferred over the others. Kendall's W was calculated as well, which is a normalisation of the Friedman test. Kendall's W is coefficient of concordance and used for measuring the agreement among more than two set of rankings (Bowen and Starr, 1982). The coefficient of Kendall's W ranges between 0: (no agreement) and 1: (complete agreement).

3. RESULTS

In this chapter, the results of the three stakeholder workshops conducted in Turkey, Switzerland and in Brussels are presented respectively. In order to provide a better perspective for evaluation, workshop settings are also explained for each workshop. To illustrate and verify the results, original statements, comments and input provided by the workshop participants are shown in italics.

3.1. Results of the stakeholder workshop in Turkey

3.1.1. Workshop Setting

The stakeholder workshop in Turkey was held on October 27, 2010 with 18 stakeholders participating. The participants were representatives of the major groups of actors involved in activities influenced by the implementation of the revised EU import regulation for organic products in Turkey. These included first of all representatives of governmental authorities (6 participants) and certification bodies (5). But also organic trade companies, and accreditation bodies, representatives of relevant NGOs and producers were represented (see Table 5).

The workshop started with an introduction to the CERTCOST project and a presentation providing an overview on the new EU import regulation for organic products. The presentation on the new regulation included the definition of equivalency and compliance (see Annex 5). After that, the aims of the workshop as well as the workshop methodology were outlined. The workshop was organised in three sessions with two parallel discussion groups each. Each discussion group focused on one of the issues identified as being most relevant to the stakeholders (see section 2.2).

Table 5: Composition of the Participants

Type of company/organisation	n	%
Producer	1	5.56
Exporter	1	5.56
Producer& processor& exporter	3	16.67
CB	5	27.78
Authority	6	33.33
Accreditation	1	5.56
NGO	1	5.56
Total	18	100
Position		
Top manager	5	27.78
Mid level manager	3	16.67
Managerial staff	5	29.4
Other	5	27.78
Total	18	100.0
Experience (years)		
<1	2	11.11
1 - 5	7	38.89
6 - 10	3	16.67
> 10	5	27.78
Missing	1	5.56
Total	18	100.0
Trade type		
Exporter	5	33.3
Exporter & Importer	2	16.7
Other	6	50.0
Missing	5	27.78
Total	18	100.0

3.1.2. Group discussion on issues and concerns

Below, we present the results from the group discussions by the six major issues.

Issue 1: Common interpretation of "equivalency" and “compliance” according to Articles 33(1) and 32(1) of Council Regulation (EC) No 834/2007

During the discussions it was observed that the traders were neither familiar with the terms of “equivalency” and “compliance”, nor were they aware of the changes brought about by the new EU import regulation for organic products and their implications on the organic export procedure for third countries. Despite the fact that the definitions were explained to the participants before the discussion session, most of the participants were not able to understand the implications of these mechanisms in relation to their own activities. A rather clarified conception of the subject was accomplished during the

discussion session which was mainly concentrated on the difference between the aims of "equivalency" and “compliance” approaches. However, even after the discussion, the stakeholders mentioned that in the regulation, there was no clarification concerning under which conditions equivalency and compliance methods were relevant respectively. Participants stressed that according to their understanding, the Turkish regulation was kind of assumed to be inexistent in the compliance approach. However, they were not sure about this assumption. Furthermore, the stakeholders highlighted that compliance would be difficult to fulfil under different country conditions.

The stakeholders were generally expecting Turkey to be listed in the Third Country List in the near future. Therefore, they also discussed whether the control bodies still needed to apply for inclusion in the lists of recognised control bodies for equivalency/compliance after inclusion in the Third Country List. The stakeholders could not find the answer to this question.

At the end of the discussion session it was concluded that the equivalency and compliance concepts had to be further clarified.

In the survey filled in by the participants at the end of the workshop, the stakeholders mentioned that they understood quite well what equivalence and compliance meant literally (Table 6).

Table 6: Stakeholders’ level of understanding regarding the equivalence and compliance terms

	n	Min	Max	Mean	SD
Do you understand what equivalence approach is?	16	4	5	4.50	0.52
Do you understand what compliance approach is?	16	3	5	4.38	0.72

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes.

It was unclear to the stakeholders whether compliant products would be preferred to equivalent ones in the market. Costs and buyer (consumer- trader) preferences/ sensitivity were expected to be the determining factors in this respect. These expectations were also reflected in the answers to the survey (Table 7).

Table 7: Stakeholders’ opinions regarding the possibility of a 2-class-import system

	n	Min	Max	Mean	SD
Do you expect there will be a 2-class-import system with preference for compliance?	15	1	5	3.27	0.90

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes.

Issue 2: Procedure for control bodies requesting for inclusion on the list of recognised control bodies and control authorities for equivalence / procedure for third countries requesting inclusion on the list of third countries

In Turkey, there are no control authorities. In 2009, two of the 16 control bodies authorised by the Ministry of Food Agriculture and Livestock had applied for inclusion in the list of recognised control bodies for equivalency with the EU. According to the newly revised Turkish regulation on organic production, the foreign control bodies and their

liaison offices are no more permitted to operate in Turkey, unless they are established as Turkish legal entities.

In general the stakeholders perceived that the new EU import regulation for organic products will facilitate the work of control bodies and exporters in the third countries by providing more options to access the European organic market.

Among the favourable aspects of the application procedure, the stakeholders mentioned:

- The fact that accreditation according to ISO 45011 is mandatory in Turkey for all control bodies operating in the organic sector made them ready for most of the requirements of the application.
- The online application and e-mailing facility

On the other hand, with respect to difficulties, the stakeholders stated that the application procedure was not very clear to the third country control bodies since they were not familiar with the system and the terminology. However, they did not think that Turkish control bodies would be disadvantaged compared to control bodies from other third countries (Table 8). Furthermore, stakeholders also stressed that:

- The application and evaluation processes were not transparent.
- They did not understand why the application would only be valid for five years. They mentioned that they did not expect to restart the application after five years. They suggested that a more practical way of extending the approval should be formulated.
- They were worried about being approved for the third time by the EU after already having been approved by the Turkish Ministry of Agriculture and Rural Affairs and the Turkish Accreditation Agency. According to the stakeholders, this would make the system even more complicated and costly - especially in terms of labour requirement.

The survey conducted confirmed the findings of the group discussions. The new EU organic import regulation was expected to facilitate the work of control bodies and the Turkish control bodies were not considered to be disadvantaged in following the procedures required for inclusion in the equivalency/compliance lists for control bodies. However, the stakeholders expressed that assistance was needed for a smoother and more efficient application process for Turkish control bodies (Table 8).

Table 8: Stakeholders' opinions regarding the procedure for control bodies requesting for inclusion on the list of recognised control bodies for equivalence/compliance

	n	Min	Max	Mean	SD
Do you think that the new regulation makes the work for CBs easier?	17	1	5	3.82	1.13
Do you think that the Turkish CBs will be disadvantaged in following the procedures required for inclusion in the equivalency/compliance lists for CBs?	16	1	4	2.63	1.20
Is assistance needed for these procedures?	16	1	5	4.06	1.44

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes.

Cooperation among control bodies - especially involving those control bodies with European background - was viewed as the most promising strategy to provide assistance to control bodies for easier fulfilment of the application procedures. The stakeholders also underlined that assistance should have been organised by Turkish

public authorities (Table 9). They also mentioned that the EU could make the application process more user-friendly for third country control bodies and that the Turkish Ministry of Food, Agriculture and Livestock should monitor the improvements of the system in the EU and provide a road map for application to the lists of Control bodies for equivalence/compliance.

Table 9: Suggestions of stakeholders on institutions to provide assistance to control bodies for easier fulfilment of the procedures

Who might give the assistance? (n=15)	Frequency	%
Other CBs with European background	6	22.22
Cooperation among Turkish CBs	6	22.22
Private consultants	5	18.52
Accreditation organisation	5	18.52
Other (Ministry etc.)	5	18.52
Total	27*	100.00

*There are more than 18 suggestions, since up to three suggestions per person were possible.

In 2003, Turkey applied for the EU Third Country List. Turkey, both as a country exporting the major part of its organic production to the EU as well being a candidate country for EU membership, attempts to harmonise all its organic regulation to the dynamic organic regulation of the EU. Parallel to Council Regulation (EC) No 834/2007 entering into force, the Turkish Ministry of Agriculture and Rural Affairs prepared a new regulation on organic agriculture as well (Law no: 5262). This Turkish organic farming regulation entered into force on August 18th, 2010.

Recently improvement has been accomplished in the Third Country List process for Turkey. To adopt the dynamic structure of the EU organic agriculture regulation, the Ministry of Food, Agriculture and Livestock revised the Turkish organic agriculture regulation many times since its first application in 2003. Both the Turkish and the EU organic farming regulation have been translated for better communication. Finally in 2010, during personal meetings in Brussels requested by the Commission, problems could be solved directly. As a conclusion, the EU is expected to make an inspection visit to Turkey, and in case of a positive result, Turkey is expected to be included in the Third Country List. The Ministry has positive expectations.

The stakeholders agreed that the inclusion of Turkey in the Third Country List would be an advantage for the control bodies operating in Turkey. According to the survey results, they expected that Turkey will enter on the list in about two years (Table 10).

Table 10: Stakeholders' opinions on Turkey's inclusion in the Third Country List

	n	Min	Max	Mean	SD
As a Turkish CB: would it be easier for you if Turkey would be on the Third Country List?*	18	2	5	4.22	0.81
In how many years do you expect Turkey would be included on the Third Country List?**	13	1	5	2.25	1.52

*1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes; **Years

Issue 3: Impact on the quality of controls in third countries / effectiveness and efficacy of the control system

According to the stakeholders, the new EU organic import regulation could have positive effects on the quality of the organic control system in third countries. Besides, it was believed that the workloads and thus the costs of the exporters would decrease. However, the influence on the operating costs of the control bodies cannot be assessed by the stakeholders yet. Representatives of the control bodies pointed out that in the new system lack of control of the export procedures by control bodies might weaken the control system (Table 11, Table 12).

Table 11: Stakeholders' opinions on the potential of the new EU organic import regulation to improve the quality and the efficiency of the organic export supply chain

	n	Min	Max	Mean	SD
Do you think that the new EU regulation has the potential to improve the quality of the control system along the organic export supply chain?	18	2	5	3.83	0.86
Do you think that the new EU regulation has the potential to improve the efficiency of the control system along the organic export supply chain?	18	3	5	4.00	0.49

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes

Table 12: Stakeholders' opinions on the influence of the EU new organic import regulation on the costs

	n	Min	Max	Mean	SD
How do you think the new EU regulation will influence the costs of the control system along the organic export supply chain?	16	3.00	4.00	3.69	0.48
How do you think the new EU regulation will influence the costs borne by CBs along the export process?	15	2.00	4.00	3.27	0.80
How do you think the new EU regulation will influence the costs borne by exporters along the export process?	15	2.00	4.00	3.67	0.62

1: Will severely increase; 2: Will increase; 3: Will not change; 4: Will decrease; 5: Will severely decrease; Missing value: I don't know

The participants of the Turkish stakeholder workshop suggested that clear guidelines should be put forward to avoid negative effects. The stakeholders also suggested introducing a monitoring system among control bodies for self-control to avoid distrust in Turkish organic products. Again, the findings of the survey confirmed the results of the group discussion (Table 13).

Table 13: Stakeholders' suggestions for improving the effectiveness of the system

Suggestions	Explanations
Forming a platform (network).	For self-controlling of CBs, a kind of association can be created among them.
Regulation and the real world conditions should be harmonised.	Written regulation should consider the real situation in the field and practice. Relevant conditions in the respective countries must be considered in the EU organic import regulation, e.g. local applications, local additives, etc..

Issue 4: Coordination by the Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards

The stakeholders emphasised that the Turkish organic farming regulation, Law no: 5262 (entered into force on December 1st, 2004) and the Regulation on Essentials and Implementation of Organic Farming (entered into force on August 18th, 2010) were considerably harmonised with the organic regulation of the EU (Table 14). However, they suggested that diversity of the countries, such as local applications, local additives, etc. must be considered in the EU regulation. Harmonisation of the EU import procedures brought about by the new regulation was viewed quite positively by the stakeholders. It was believed that, not only organic regulations but also standards such as national food and trade regulations for conventional products should have been harmonised with the EU standards (Table 15).

Table 14: Stakeholders' opinions on the level of harmonisation between Turkey and the EU with respect to organic production

	n	Min	Max	Mean	SD
Do you think that procedures and standards in organic production are sufficiently harmonised between Turkey and the EU (national standards, private standards)?	17	1.00	5.00	3.06	1.20

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes; Missing value: I don't know

Table 15: Stakeholders' suggestions for establishment of harmonised standards and processes

Suggestions/actions	Explanations
Respecting diversity of local conditions	Country based difficulties and diversities must be considered by the EU import regulation for organic products.
Comparison	Harmonised regulations of the countries included in the Third Country List and their applications must be examined. A committee must be formed for discussing and defining the diversities and similarities. Diversities must be eliminated.
Harmonisation of foreign trade	Political and subjective attitudes should be put aside. Harmonisation must be done not only for organic but also for conventional products

Issue 5: Guaranteeing fair competition for products produced inside and outside the EU (equal requirements)

The stakeholders did not see that unfair competition existed in the market for Turkish control bodies, processors, traders and farmers exporting organic products to the EU. However, according to the stakeholders the new EU import regulation for organic products improved the situation with regard to fair competition as it provides more and wider options to reach the EU market for third country companies. As the import permit procedure of EU Member States will disappear, the stakeholders stated that an important complication would be eliminated, and it would become easier to access the EU market. This is supported by the survey results (see Table 16). The number of control bodies to be recognised from each third country was expected to be a critical factor for trade. Therefore, transparency was deemed crucial. The stakeholders agreed that Turkey should create trust in its products. They also pronounced that a possible disparity in perception with respect to equivalent and compliant products might cause unfair competition. The stakeholders suggested that the European consumers should be accurately informed about the differences between the two approaches to avoid unfair competition.

Table 16: Stakeholders' opinions on the impact of the new EU import regulation for organic products on the conditions for fair competition

	n	Min	Max	Mean	SD
Does unfair competition exist in the market for Turkish CBs, processors, traders and farmers exporting organic products to the EU?	18	1.00	4.00	2.35	1.06
Does the new regulation ensure fair competition for Turkish CBs, processors, traders and farmers?	16	2.00	4.00	3.63	0.62

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes; Missing value: I don't know

Issue 6: Reduction of trade barriers / easier access to the EU market

The stakeholders – supported by the survey results - believed that the new regulation would facilitate the access of third countries to the EU organic market (Table 17). The removal of the import permit approach was expected to accelerate foreign trade. The costs of EU market accession were supposed to decrease due to less paper work. According to the stakeholders, importers in the EU member states would be able to access an increasing number of exporters. All these factors were expected to increase the organic export volume of Turkey to the EU. On the other hand, the competition in the organic market was expected to reduce the price levels.

Table 17: Stakeholders' opinions on the impact of the new EU organic import regulation on reduction of the trade barriers for third countries

	n	Min	Max	Mean	SD
Does the new regulation have a potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?	17	3.00	5.00	4.06	0.43

1: Definitely no; 2: Not really; 3: Neither yes, nor no; 4: Almost; 5: Definitely yes; Missing value: I don't know

To reduce trade barriers, stakeholders of the Turkish workshop highlighted the need for clearer regulation and more transparent implementation for the organic import process

by the EU. They also suggested that the third country companies should develop strategies to adopt themselves to the emerging new conditions. It was recommended that small companies should either unite to compete with the big ones, or create a quality image for their products (Table 18).

Table 18: Stakeholders' suggestions for easier access of third country to the EU organic market

Suggestions/ideas	Explanations
Third Country List	Will solve most of the problems.
Clear and easily comprehensible regulation	The import regulation is not clear enough.
Transparency of practices	Some application processes are not clear and not known.
Competition strategies	Producers in the third countries, especially small ones should become organised.
Taking precaution to avoid distrust	Self-monitoring system after entering the Third Country List.
Decreasing paper work	Export certificate could be removed as well.

3.1.3. Results of the Fuzzy Pairwise Comparison analysis

Table 19 presents the results of the Fuzzy Pairwise Comparison analysis and the statistical tests. The mean values are representing the priorities or weight values of the issues. The biggest value means that the respective issue takes the highest rank among the issues.

According to the results given in Table 19, the issue of "Reduction of trade barriers / easier access to the EU" scores highest, while the issue of "Procedure for control bodies/control authorities/countries for inclusion in the lists of equivalency/compliance/third countries" comes in second. The Friedman test doesn't reject the H_o hypothesis of no difference among the alternatives: all these six issues are of equal importance in the view of the stakeholders. This is supported by the Kendall's W test, which shows almost zero concordance among the stakeholders.

Table 19: Results of the Fuzzy Pairwise Comparison analysis

	Mean	SD	Min	Max	Median
Common interpretation of "equivalency" and “compliance:	0.3404	0.2148	0.0367	0.6775	0.2584
Procedure for CBs/control authorities/countries for inclusion in the lists of equivalency/compliance/third countries:	0.4755	0.1543	0.1479	0.772	0.4842
Impact on the quality of controls in third countries/effectiveness and efficacy of the control system:	0.3934	0.1962	0	0.6507	0.4343
Coordination by the Commission to ensure harmonised procedures/standards:	0.4578	0.1803	0.2241	1	0.429
Guaranteeing fair competition for products produced inside and outside the EU	0.457	0.0881	0.2929	0.5926	0.4343
Reduction of trade barriers / easier access to the EU:	0.5256	0.2363	0.1305	1	0.5
Friedman Test (Chi Square)	5.949				
Kendall's W	0.07				

3.1.4. Summary and conclusions of the workshop discussions

The Turkish stakeholder workshop showed that even though the participants understood the equivalence and compliance terms literally, they emphasised that it was not clear in the EU organic import regulation for organic products under which conditions each of these options should be preferred.

Turkey is in a special position with respect to exports to the EU. The organic agricultural production system is to a great extent harmonised to that of the EU and inclusion of Turkey in the Third Country List is expected within a short period of time. Inclusion in the Third Country List for equivalency would mean that the Turkey’s national organic agricultural system would be recognised by the EU. On the other hand, the compliance and equivalence list approach for control bodies brought about by the new EU organic import regulation aims at improving the organic agricultural control system in countries where the underlying system of control is weak.

Due to the fact that the import permits issued by member states will be removed and therefore the bureaucratic procedures will be reduced, it was expected i) that the accession of the exporters, control bodies and producers in the third countries to the EU organic market will accelerate and ii) that the importers in the EU will be able to collaborate with a higher number of exporters. As a result of the perceived increasing competition in the organic market, decreasing organic product prices were expected. The export authorisation led to close linkages between the importer and the exporter. With its removal, the situation will change considerably as importers could choose among the listed recognised control bodies providing certification for the respective organic product. This change could lead to uncertainness for producers and exporters in the third countries.

A more user friendly application procedure and a transparent evaluation process for inclusion in the lists of recognised control bodies are considered necessary. The establishment of a platform among control bodies operating in the same country both for resolution of their common problems and for controlling each other's practices is deemed to be vital for improvement and maintenance of the quality in organic production in the third countries. The representatives of the control bodies were worried because they would have to be approved a third time by the EU after being already approved by the Turkish Ministry of Agriculture and Rural Affairs and the Turkish Accreditation Agency. Even if the control bodies in Turkey would not face additional costs for accreditation, since they are already obliged to be accredited by the Turkish Accreditation Agency, the stakeholders were worried that additional supervision by the Commission would make the system more complicated, and hence more costly. Besides, it was found to be unclear how the EU will be able to manage the regular controls in terms of financial and personnel resources. It was considered unnecessary to repeat the application procedure for inclusion in the lists of equivalency and compliance for control bodies every five years as they were already inspected regularly. It is suggested that a control body should stay in the list of recognised control bodies unless problems occur.

3.2. Results of the stakeholder workshop in Switzerland

3.2.1. Workshop setting

Switzerland is recognised by the European Commission as a country with national organic production rules and control systems that are equivalent to those within the EU. Since 1992, Switzerland is listed on the Third Country List.

As the stakeholder interest in participating in a workshop on the evaluation of the new EU import regulation for organic products was low, the workshop was postponed twice. The Swiss stakeholder workshop was finally held on January 21st, 2011 in Frick and took six hours. There were five stakeholder representatives participating from the following areas: processors (2), certification body (1), organic farming association (1) and trader (1).

The workshop started with a short introduction to the CERTCOST project and to the procedure of the evaluation of the new EU import regulation for organic products for organic products. Subsequently, the revised import rules were presented in detail.

3.2.2. Group discussion on issues and concerns

Issue 1: Common interpretation of "equivalency" and "compliance" according to Articles 33(1) and 32(1) of Council Regulation (EC) No 834/2007

From the Swiss stakeholder perspective, the compliance approach was expected to involve additional costs for the control and certification system without providing more security with respect to fraud. There were concerns that the two parallel approaches of equivalency and compliance would be the start of a two-tiered certification system. In such a two-tiered certification system, the compliance approach might be perceived as providing higher control quality compared to the equivalence approach. Due to this perceived higher quality of certification, the market actors in the future might prefer organic products certified according to the compliance approach.

On the positive side, the stakeholders highlighted that the accompanying control certificates would not be needed anymore.

With respect to the equivalence approach, the processors claimed that there is no mutual recognition among control bodies for the approval of farm inputs: control bodies accept different additives and aids: control body A accepts a copper product for application, but control body B insists on checking the copper product again because they don't trust the acceptance of control body A. Furthermore, the equivalency stated by the inclusion on the Third Country List does not provide any security with respect to fraud. There is a need to approve inputs centrally in order to achieve a mutual recognition of inputs.

In general, the Swiss stakeholders recommended not introducing the system of compliance.

Issue 2: Procedure for control bodies requesting for inclusion on the list of recognised control bodies and control authorities for equivalence / procedure for third countries requesting inclusion on the list of third countries

Only the participating control body representative raised serious concerns with respect to the procedure for requesting inclusion on the list of recognised control bodies. Since having applied for inclusion on the list of recognised control bodies for equivalence 1.5 years ago, the control body had not received any information about the status of the application from the European Commission. The control body would appreciate a fair approval procedure and a more transparent approval process. However, the control body was aware that the inclusion on the list of recognised control bodies represents an important market opportunity for them. As the Swiss accreditation system already includes approval of control bodies for control and certification in third countries, from the Swiss stakeholder perspective it is difficult to understand why the EU requires additional approval procedures. In general, the control body representative considered the elaboration of a control and certification system which at the same time meets the EU, the US NOP and the Japanese requirements to be too challenging and causing additional costs.

As Switzerland is already recognised on the Third Country List, there was no discussion on this procedure. However, the traders apprehended that the EU surveillance of control bodies might not be effective. For example, they complained about frequent import of fraudulent organic products from India. This was taken as a negative example for the quality of approvals and surveillance by the EU as India is on the Third Country List. Processors and traders stressed the importance of established business-to-business relationships which might be more reliable than the organic control and certification system.

Issue 3: Impact on the quality of controls in third countries / effectiveness and efficacy of the control system

The operators highly appreciated that the new import regulation will reduce bureaucracy and thus the new import regulation was expected to lead to higher efficiency of the organic control and certification system. Furthermore, the Swiss stakeholders looked forward to new procedures allowing a dense net of controls and thus leading to better

detection of irregularities. They would like to see the new import regulation contributing to higher trustworthiness of the organic control and certification system.

However, no consensus was achieved as far as the impact of the new import regulation on the control quality was concerned. While some stakeholders anticipated an improved control quality for processors and traders, others did not perceive any improvement in the control quality.

Issue 4: Coordination by the Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards

As Switzerland is listed on the EU Third Country List, harmonising approval procedures between the EU and Switzerland was not an issue for the Swiss stakeholders. Moreover, most Swiss processors and retailers are certified against the private Bio Suisse standard which represents a higher organic standard level compared to Council Regulation (EC) No 834/2007. As a consequence, the stakeholders mentioned almost no problems with respect to exports to the EU. Nevertheless, some concerns were raised:

- Member States are often not familiar with the import regulation or have different interpretation of the rules, which consequently involves a lot of communication when exporting to the EU (e.g. control certificates were requested by customs officers despite they are no longer required since 2009).
- Processors raised concern that EU Member States would refuse organic products from Switzerland for not being in line with the EU requirements just because they don't know them: in one case Denmark rejected "salt with herbs" arguing that salt could not be certified according to the EU organic farming regulation.
- In Switzerland the harmonisation of Swiss code numbers for control bodies with the EU system caused serious problems, because the EU control number system changed twice within two months meaning that the Swiss companies also had to change labels within these two months. The processors and traders stressed that changing code numbers on the packaging is very expensive and irregularities in labelling are assessed to be a major non-compliance.

Issue 5: Guaranteeing fair competition for products produced inside and outside the EU (equal requirements)

Traders and processors did not expect any problem with the introduction of the new EU organic import regulation. However, they mentioned the following general problems with organic imports to the EU which are not caused by the new EU import regulation for organic products:

- Bilateral agreements between the EU and Switzerland removed the control certificate requirement for exports from Switzerland to the EU, which basically facilitates trade. However, custom officers are often not familiar with this new bilateral agreement and that causes problems.
- Swiss organic processors and trades would welcome an international logo for organic products as they consider the multitude of organic logos to be a serious problem for international trade of organic products.

Issue 6: Reduction of trade barriers / easier access to the EU market

Particularly the representative from the participating control body expected additional costs since control bodies will need to run two separate approval procedures (compliance and equivalence) in parallel. The compliance approach could develop into a trade barrier i) due to the expected increasing costs and ii) because smallholders' access to the EU organic market might become more difficult. Due to the expected increasing costs for third countries, the Swiss stakeholders perceived the EU operators to have a competitive advantage.

3.2.3. Summary and conclusions of the workshop discussions

The Swiss stakeholder workshop showed that due to the fact that Switzerland is already included on the Third Country List, the new EU import regulation for organic products for organic products was not seen as a major issue. As a consequence, stakeholders' interest in participating in the workshop was low. The problems discussed by processors and operators during the workshop were rather based on general experiences with exporting organic products to the EU than as a consequence of the new EU import regulation for organic products.

The workshop showed clearly that according to the view of the Swiss stakeholders the new EU import regulation for organic products eases the burden of the Swiss processors and traders, and therefore organic operators exporting to the EU were positive towards the new EU import regulation for organic products. However, there was consensus against the compliance approach. The reason for this was that the stakeholders expected a two-tier organic certification system with the compliance approach perceived to be the system providing higher control quality.

While the new EU organic import regulation was expected to facilitate trade for organic processors and traders, additional burdens were expected for the Swiss control bodies. This additional burden was explained by i) increasing costs for running the compliant and the equivalent approach in parallel, and ii) by the application procedure for inclusion on the list of recognised control bodies. The control body representative expected that the new EU import regulation for organic products would lead to a cost driven but not to a control quality driven competition between control bodies.

From this perspective the workshop concluded in following recommendations:

- Establishment of a central EU organic import contact point where certification bodies can get information about the approval requirements, procedure and status. Such a central contact point should also investigate complaints and problems.
- Implementation of only one approval procedure for certification bodies irrespective whether they apply an equivalent or compliant system. The control body feared disadvantages in competition among control bodies caused by delayed updates of the list of recognised control bodies.
- The national accreditation (e.g. Swiss accreditation) of control and certification bodies should be recognised by the European authorities.
- The EU should define minimum requirements for the qualification of inspectors, the duration of controls, prices for controls and quality requirements for accreditation bodies.
- An EU-wide tracking of suspensions or decertifications should prevent traders from selling decertified products in another country.

- The EU should establish a central body which comments the EU organic farming regulation in the form of a manual or database. This body should also establish a system for information on any changes of the EU organic regulations.
- Competition among CB's should be guided by quality and not by prices.
- The implementation of risk based certification systems should include a risk assessment of third countries (e.g. corruption index for countries).

3.3. Results of the International Workshop

3.3.1. Workshop Setting

The third stakeholder workshop was a two day workshop held in Brussels (24.-25.01.2011). In order to attract a large number of international stakeholders, the workshop was held in cooperation with the Anti-Fraud Initiative. A total of 50 stakeholders attended the workshop. The majority of stakeholders came from EU member states (38 participants). Furthermore, stakeholders from Turkey (7), USA (3) and Switzerland (2) attended the workshop. The workshop participants were from the following areas: control and certification bodies (16), processing and trade (10), organic farming associations (7), national governments (7), European Commission (5), research and extension (4) and print media (1). Each participant received a hand-out including the workshop agenda, a glossary of important definitions (e.g. equivalency, compliance) and information about the CERTCOST project.

The workshop started with an introduction to the CERTCOST project outlining also the concept and aim of the workshop. After that, representatives from the European Commission DG Agriculture and Rural Development introduced the new EU import regulation for organic products.

The workshop was organised in two sessions with three parallel group discussions each. Analogously to the two national workshops the topics of the group discussions were selected on the basis of the main stakeholder issues and concerns identified through a web survey (see chapter 2.2). The facilitators of the discussion groups received detailed guidelines about the group discussion process including guiding questions for the group discussions (see Annex 1). The facilitators were briefed prior to the workshop. Furthermore, the facilitators were supported by an assistant who took notes. For each discussion group a spokes-person was appointed to present the summary of the group discussion to the plenum.

To get into the topic of the workshop the stakeholders were first asked the following question: If you have only one free wish concerning the import rules, what would you want?

During the workshop, 25 "wish cards" were submitted. These were screened and sorted by topics. Similar "wish cards" were pooled so that the final number of "wishes" was reduced to 19. All participants were then asked to vote by marking their most important "wishes by means of three stickers for. Six wishes were eliminated because no stakeholders voted for them. The results (see Table 20), showed that the highest priority of the stakeholders was to have more transparency and more enforcement of regulations. Secondly, stakeholders sought for more harmonised procedures. Number three and four on the "wish list" were of almost equal priority: "EU approved education for inspectors" and "more resources to DG Agriculture Organic Unit" for proper management and future planning of the new import system.

Table 20: The stakeholders' wish list

Wishes	frequency	%
More transparency more enforcement of regulations	20	19.61
Harmonisation of procedures	18	17.65
EU approved education for inspectors	17	16.67
More resources to DG Agric (Organic Unit for implementing and thinking ahead)	16	15.69
An efficient supervision system for new import rules to avoid unfair trades and to avoid mistrust in organic foods	11	10.78
No more private certification	6	5.88
Abolish the compliance track	4	3.92
Do not get lost in details get the big picture	3	2.94
Fair trade of organic products throughout the whole chain	2	1.96
Only local inspectors for inspection in third country	2	1.96
Stop the re-assessment done by the recognised assessment bodies	1	0.98
Think continual improvement for farmers and certifiers	1	0.98
Simple understandable and applicable import regulation	1	0.98
TOTAL	102	100.00

3.3.2. Group discussion on issues and concerns

Below, we present the group discussion results by issues:

Issue 1: Common interpretation of "equivalency" and "compliance" according to Article 33(1) of Council Regulation (EC) No 834/2007

The stakeholders stressed 100% compliance with the EU organic regulation might be difficult to achieve for both EU and non-EU countries. From the traders' point of view, the compliance approach was considered as one barrier less to trade. However, they found it not very realistic to implement the compliance approach.

Representatives from control bodies claimed the unclear definition of the compliance approach. According to the stakeholders, first it should be clarified where compliance ends and equivalence starts, how compliance is defined and how much leeway for interpretation is left for assessing a standard requirement as equivalent. Furthermore, the control bodies raised concerns whether the compliance approach could be implemented in each EU member state in the same way. They expected for both the competent authorities as well as for the control bodies a rather "supposed compliance" meaning that compliance was claimed for approaches which were actually an equivalent application of a requirement. It was pointed out that the decisions were not even harmonised between several authorities within an EU member state.

Countries such as Switzerland which are already on the Third Country List expect no added value of the compliance approach to organic trade and certification. The compliance approach is also considered as a potential threat to national legislation initiatives resulting in a kind of "competition" between the EU and the third country systems.

Participants apprehended that the parallel system of the compliance and equivalency approach could lead to a two-tier import system for organic products, in which the compliance could be viewed to be the higher level of organic certification. This could put

pressure on prices of equivalent organic products. Such a two-tier system was conceived to be artificial and dangerous since no benefit is expected for the compliance approach over the equivalency approach. Very important in this respect is what costumers will prefer: compliant or equivalent organic products.

Apart from the perceived difficulties for implementing the compliance approach, stakeholders stressed that the differences in site conditions and farm structure requires an equivalency approach. In general, the equivalency approach was considered to be more practical. Mutual recognition between equivalent schemes was regarded as more appropriate than pressing specific local farmer situations into a compliant system. Thus, the question was raised why the Commission does not just strengthen the Third Country List (equivalency approach)?

On the other hand, it was highlighted that the concept of compliance has been fully implemented by the USA with the NOP program. Furthermore, customers with strong private labels might not accept certain equivalent standards.

The group discussion showed the need for clearer definition of equivalency and compliance. More transparency was also expected from the Commission. This could be achieved e.g. by publishing all equivalent standards or through a third party workshop for all stakeholders (control bodies, authorities, traders).

Issue 2: Procedure for control bodies requesting for inclusion on the list of recognised control bodies and control authorities for equivalence / procedure for third countries requesting inclusion on the Third Country List

The control bodies very much criticised the procedure requesting inclusion on the list of recognised control bodies for equivalence. Particularly the following points were mentioned:

- Unclear definitions: equivalency, own production standard.
- The content of the technical dossier, the procedure of the evaluation and the timeliness are unclear.
- Overlap of evaluation: accreditation bodies, national authorities and the European Commission all evaluate control bodies.
- The sector is under pressure because the evaluation of control bodies takes very long time and the approaching deadline is 31.12.2012, after which no import authorisations may be granted by member states.
- Evaluation of the technical dossiers by the Commission may take too long time.

The Commission representative mentioned that the document evaluation is very time consuming due to i) the increased quantity of information required to be submitted and ii) the different levels of competence of the accreditation bodies at the national level.

Control bodies found it unclear what will happen in cases of a negative evaluation result: when can a control body apply again for inclusion on the list of recognised control bodies? Furthermore, control bodies from countries listed on the Third Country List asked whether they will also have to apply for equivalence.

Due to the accreditation procedure, control bodies expected increasing costs which they would have to put forward to their clients.

With respect to the Third Country List approach it was stressed that the efforts a country puts into the application depends on the value of its organic export to the EU. The Third

Country List procedure takes much longer than the control bodies' application for inclusion on the list of recognised control bodies. Therefore control bodies should not wait for their country to be included on the Third Country List but should apply for the list of recognised control bodies. In general, participants from third countries claimed that the relationship between the Commission and the third country authorities is difficult.

To improve the procedure of the application processes for control bodies as well as for third countries, the following suggestions were put forward:

- With respect to the evaluation of control bodies, double work could be avoided by means of harmonised and co-ordinated procedures of control bodies' accreditation at the national level and evaluation for inclusion on the list of recognised control bodies at the EU level. As some evaluation work has already been done in the process of import authorisations, these evaluation results could be acknowledged by the Commission. Thus, the evaluation process of control bodies could be quicker if the Commission had a list of approved control bodies from the member states.
- Clearly defined requirements and procedures for the approval of certification bodies are needed.
- All open questions with respect to the application and evaluation procedures should be clarified.
- An alternative option for the Commission could be to accept all control bodies accepted under Art. 116 of Commission Regulation (EC) No 1580/2007.

For the procedure of inclusion on the List of Third Countries, some stakeholders suggested that the EU should provide financial and legal support to applicant countries (e.g. through DG Development).

Issue 3: Impact on the quality of controls in third countries / effectiveness and efficacy of the control system

The stakeholders did not expect a significant change in the quality of the control of organic production. Some participants expected improvement in the control quality due to the harmonisation of standards and standard procedures, e.g. the equivalency assessment. Furthermore it will become easier to make cross-checks e.g. of invoices between companies. On the other hand, some participants apprehend an increasing risk of fraud due to the fact that the new system puts more responsibility on the control bodies, while until now the competent authorities, being neutral bodies have been taking the decisions and setting the limits.

There were different views among the participating traders and control bodies with respect to the perceived implications of the new import regulation on the efficiency of the organic control system. Traders highlighted that the new system will involve less bureaucracy and thus lower costs. From their point of view, the old system was kind of a trade barrier and the perceived additional costs in the new system will level out in the long run.

In contrast, the representatives from the control bodies were worried about increasing costs caused by the new approval procedures, which require an assessment report by an assessment body or accreditation body respectively. Costs were expected to increase even more because the evaluation for inclusion on the list of recognised control bodies expires after five years. Thus, control bodies will need to apply for extension. Furthermore, establishing control businesses in a new country will involve a new application procedure even though always the same control system will be applied.

Furthermore, the control bodies were worried that the costs of spot checks, which may be conducted by the Commission, could rise to the level of US audits. The control body representatives pointed out that the traders would first of all look at the price for certification. However, the aim of the new import regulation is to increase the control quality.

The list of recognised control bodies could lead to the situation where only one control body is listed for a specific country. This would represent a monopoly. Monopoly of a control body could result in decreasing control quality. Competition could trigger control quality. However, also the expected increasing competition between control bodies could lead to lower control quality as this competition is expected to be determined by prices and not by control quality.

The participating stakeholders stressed the importance of the surveillance of the recognised control bodies. However, there was only limited information available to the stakeholders about how the Commission will manage the surveillance process: Who guarantees, controls and enforces the quality of the work of the approved control bodies in the various countries? It was questioned whether the Commission will have the capacity for credible surveillance in third countries which will need to be done quickly and efficiently.

The stakeholders discussed whether the credibility of the organic control and certification system will be questioned due to the fact that for a period of time there will be both the list of recognised control bodies, and import authorisations: A control body might not be recognised and listed but could still have import authorisations.

The main conclusion of the group was that the sector was poorly informed and a lot of concerns were based on the lack of information. The following suggestions were made:

- Surveillance of the operations in third countries is urgently needed. There was concern that the Commission is currently not doing any surveillance on the countries which are on the Third Country List.
- The reporting system should be improved as concerns suspicion and irregularities in third countries. Reporting should be done to an independent/neutral third party (e.g. competent authority or accreditation body) and it should be better defined what should be reported. It was mentioned that there is a notification system in place in the EU (OFIS) which however, does not include the third countries.
- The effectiveness of the supervision by accreditation bodies and authorities should be assessed.
- Clear definitions are needed: for example, the organic import regulation requires additional investigation in cases of irregularities, but it is not defined what an additional investigation is.
- It would be helpful to have an open-access database describing the services offered as well as the accreditation information for each control body.
- Inspectors in third countries should speak the national language. The Ukraine was mentioned as a negative example where it seems that only a few inspectors speak the national language.

Issue 4: Coordination by the Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards

The stakeholders were positive that the new import regulation will contribute to harmonisation of standards and procedures in the organic sector. Particularly the elimination of the import authorisations was expected to bring harmonisation a considerable step forward. Furthermore, the upcoming list of recognised control bodies was considered to contribute to harmonisation.

In general however, the harmonisation level already achieved was not considered to be very high.

As far as harmonised procedures are concerned, stakeholders considered that most procedures vary from one EU member state to the other but also to other non-EU countries. Areas for improvement are: the procedures for granting derogations, residues in food (nitrate, pesticides), GMO tracing procedures, accreditation, surveillance, risk assessment, sanctions, percentage of operators to be controlled and import authorisations. As to the latter, the costs and time required for the import authorisation differs a lot between EU member states. Some member states give authorisation by checking the certificate; others want to see an inspection report. Some control bodies are not willing to provide reports to exporters or importers, respectively. As a positive aspect, procedures for labelling were found quite well harmonised.

The lack of harmonisation between standards causes not only problems in trade but also at the consumer level - especially as concerns the understanding of what organic is: for example, some products are allowed as organic in some countries while others are not, e.g. some countries do not accept products with a certain level of residues of pesticides or heavy metals whereas others are more tolerant as long as there is no obvious breach of the standards. But there are also areas where harmonisation is already achieved like the limited use of synthetic inputs or the increased awareness of animal welfare issues. Some stakeholders highlighted that with respect to organic textiles and cosmetics, the harmonisation is going on outside the EU. This bottom up process is currently not coordinated by the Commission.

The participants pointed out that they expect the Commission to play a major role in terms of harmonisation of both standards and procedures, not only between EU member states and third countries, but also within the EU. It is suggested to establish a working group to identify the critical points for harmonisation. Such a working group should be a joint effort of the EU and the organic sector. However, the capacity of the EU for such an effort was questioned. Some stakeholders mentioned that harmonisation of the procedures for the approval of third countries and control bodies in third countries would also help to harmonise standards and procedures within the EU.

Issue 5: Guaranteeing fair competition for products produced inside and outside the EU (equal requirements)

Stakeholders discussed the question whether fair competition is achieved for products produced inside and outside the EU from very different perspectives.

Control bodies considered the old organic import regulation as unfair because import authorisation procedures vary between EU member states e.g. with respect to accepted conversion periods, level of pesticide residues and share of conventional feed stuff. With the new import regulation there may be risk of unfair competition within third

countries resulting from very different control qualities of different control bodies. Furthermore, the assessment bodies' competence and assessment procedures (strict or less strict) would impact the competition between control bodies. Different accreditation bodies might interpret group certification differently which may cause unfair competition. Besides, two cost related issues were identified to hinder fair competition: i) the direct costs of accreditation and ii) the indirect costs in terms of interpretation of ISO Guide 65 [1] by the accreditation bodies. The application process for getting listed as a recognised control body favours globally operating control bodies as they have more capacity and knowledge to fulfil the requirements. Small and local control bodies in third countries will be adversely affected.

The participating traders on the other hand saw potential for unfair competition when trade is not allowed to flow smoothly. For example, the 2012 deadline for the old system involves risk of unfair competition because traders having established collaboration with certain control bodies will be very much dependent on whether these control bodies succeed in getting included on the list of recognised control bodies for equivalence. The trader will also be at risk if the control body will be excluded from the list. As a consequence, traders might lose business. Traders also highlighted that a 100% harmonisation of standards and procedures is not possible. However, the critical issues need to be harmonised.

The producers were worried about diminishing control quality which might reduce the credibility of the system and thus could lead to decreasing consumer demand for organic products.

To avoid unfair competition, the following suggestions were made:

- Harmonisations of standards and procedures as well as clearly commented regulations leaving no room for "creative interpretation" are important aspects for fair competition. Thus, the points raised under Issue 4 "Harmonisation" are also relevant for avoiding unfair competition.
- The Commission should publish a list of recognised control bodies and their production standards applied in third countries should be published.
- The Commission should invest in capacities and competences to monitor the control bodies' activities in third countries.

Issue 6: Reduction of trade barriers / easier access to the EU market

Since the lists of equivalent/compliant control bodies are not published and the new import regulation for organic products is not implemented yet, the evaluation of the import regulation on trade in terms of trade barriers or ease of access to the EU organic market depended more on assumptions than on experiences of the participants.

There was consensus that the new system may bring easier procedures and decrease bureaucracy for third countries and thus reduces trade barriers. Importers' work may become easier as well since they will not have to go through the import permission system.

The equivalence approach was viewed positively because the stakeholders expected easier access to EU markets since the equivalency approach considers more specific regional conditions. However, the "net effect" may depend on how equivalence is

1 ISO/IEC Guide 65:1996 General requirements for bodies operating product certification systems

implemented. There is a political dimension in the equivalence approach as national standards in third countries are expected to be the basis for the equivalence definition.

The compliance approach was not really clear to the stakeholders, and therefore it was difficult to comment on whether this approach will have an impact on trade. It was pointed out that the US National Organic Program (NOP) scheme is based on compliance only and thus was simple. Therefore in general, the stakeholders thought that compliance will have a big potential for easy access and acceptance of the third country products in the EU. However, the implementation may be problematic for the control bodies. Compliance was considered to be the more empirical approach, but a compliant approach could also be a trade barrier since it may be more difficult to achieve certification based on compliance.

Some stakeholders expected that most of the operators would have to work with two certification schemes at the same time (as for EU and NOP). At the same time they were unsure whether the new organic import regulation will lead to an increase in organic import to the EU from third countries. Shifts in volume from one country to another may be possible in cases where more equivalent control bodies will be available in one country compared to another with e.g. the same crop pattern. It was emphasised that the European traders may face difficulties in case that only few control bodies will be authorised by the EU. Traders will have to check continuously whether the respective control body is on the equivalent list. The effectiveness of the implementation was considered critical for the success of the new system.

Due to the expected simplified procedures of the new import regulation for organic products, the importers expected direct cost reductions. However, the control bodies' costs for the application procedure to become included on the list of equivalent/compliant control bodies was expected to result in increased certification costs at least in the short term. Furthermore, the number of control bodies listed for a third country may have an impact on competition and thus on the level of certification costs.

Five participants suggested thinking on a country-level rather than on a control body level. They felt that the Third Country List should be further developed to have more countries on this list.

3.3.3. Results of the structured survey

Additionally to the qualitative group discussions, the 50 participants of the international workshop were asked to answer a structured questionnaire. 28 stakeholders submitted the filled in questionnaire (see Table 21). Analogous to the section above, the main results of the survey are given under the headings of the major issues of concern.

Table 21: Composition of stakeholders who answered the questionnaire

Type of company/organisation	n	%
Processor	1	3.6
Importer and/or exporter	4	14.3
Processor, importer, exporter	2	7.1
Control body	9	32.1
Control body, NGO	1	3.6
Governmental authority	6	21.5
NGO	3	10.7
Other	2	7.1
Total	28	100.0
Position		
Senior management	14	50.0
Middle management	8	28.6
Administrative/support staff	1	3.6
Other	5	17.9
Total	28	100.0
Experience (years)		
<1	3	10.7
1 – 5	5	17.9
6 – 10	6	21.4
> 10	14	50.0
Total	28	100.0
Dominant trade type		
Importer	3	10.7
Importer and exporter	3	10.7
Exporter and other	1	3.6
Other	21	75.0
Total	28	100.0

Issue 1: Common interpretation of "equivalency" and “compliance” according to Articles 33(1) and 32(1) of Council Regulation (EC) No 834/2007

The survey shows that the participants of the international workshop were already well informed about the new organic import regulation (Commission Regulation (EC) No 1235/2008) and its likely effects before the meeting (Table 22). The Kruskal Wallis test performend revealed no significant difference with respect to the level of information between participants with long and short working experience. On the other hand, statistically significant differences were found between participants working in different types of organisations (Kruskal Wallis Chi-Square = 7.457; df=2; Asymp. Sig. = 0.024). Representatives of the control bodies (4.89), governmental authorities and NGOs (4.75) stated that they were definitely informed of the subject; while the group of processors, importers and exporters mentioned being rather informed (3.86). Although on average the stakeholders were definitely informed about the new EU organic import regulation and its likely effects before the meeting and they were further informed during the workshop, the explicit meaning of the equivalence and compliance approaches were only rather clear to them. Thus, the equivalency and compliance concepts will need to be further clarified.

Table 22: Stakeholders’ level of knowledge and understanding regarding the equivalence and compliance terms

	<1 or 1-5 years	6-10 years	>10 years	Total
n	8	6	14	28
Have you been informed of the new EU organic import regulation (EC 1235/2008) and its likely effects before this meeting?	4.17* (1.169)**	4.83 (0.408)	4.58 (0.669)	4.54 (0.779)
Is the meaning of the equivalence approach clear to you?	4.14 (0.378)	3.67 (1.366)	4.33 (0.888)	4.12 (0.927)
Is the meaning of the compliance approach clear to you?	4.00 (0.577)	3.67 (1.366)	3.85 (1.214)	3.85 (1.084)

*Mean values for the following 5 point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.

**Numbers in brackets are standard deviations.

There was concern among the participants that under the new organic import regulation there may be a 2-tier-import system with preference for compliance. It proved to be unclear to the stakeholders whether compliant products would be preferred to the equivalent ones in the market (Table 23).

Table 23: Stakeholders’ opinions regarding the possibility of a 2-class-import system

	<1 or 1-5 years	6-10 years	>10 years	Total
n	8	6	14	28
Do you expect there will be a 2-class-import system, with preference for compliance?	3.20* (1.789)**	3.50 (1.291)	3.18 (1.250)	3.25 (1.333)

*Mean values for the following 5 point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.

**Numbers in brackets are standard deviations.

Issue 2: Procedure for control bodies requesting for inclusion on the list of recognised control bodies and control authorities for equivalence / procedure for third countries requesting inclusion on the list of third countries

In general, the stakeholders mentioned “neither having, nor not having” problems with regard to the EU’s previous organic import regulation (Council Regulation (EEC) No 2092/91). They were also indifferent with respect to the potential of the new organic import regulation to reduce the level of problems faced in trade of organic products. Furthermore, those having medium level of experience in the sector were significantly more pessimistic compared to those with other levels of experience (Kruskal Wallis Chi-Square = 8.043; df=2; Asymp. Sig. = 0.018). The survey showed that the stakeholders did not think that the new EU organic import regulation will have the potential to reduce the level of problems, which the EU countries have to face when importing organic products from third countries (Table 24).

Table 24: Stakeholders’ opinions regarding the new EU organic import regulation

	<1 -5 years	6-10 years	>10 years	Total
n	8	6	14	28
General opinions on the EU past and present organic import regulation				
Did you have difficulties with regard to the EU’s previous organic import regulation (EC 2092/91)?	3.67* (0.577)**	3.17 (1.472)	3.08 (1.188)	3.18 (1.181)
Do you think that the new EU import regulation for organic products has the potential to reduce the level of problems the EU countries face while importing organic products?	3.67 (0.516)	2.17 (0.408)	3.09 (1.136)	3.00 (1.000)
Do you think that the new EU import regulation for organic products has the potential to reduce the level of problems third countries face while exporting organic products to the EU?	2.83 (0.983)	2.67 (0.816)	3.20 (1.317)	2.95 (1.090)
Opinions on the influence of the new EU organic import regulation on the workload of different actors				
Do you think that the new EU import regulation for organic products makes the work easier for CBs?	2.50 (0.837)	2.00 (0.707)	3.31 (0.751)	2.83 (0.917)
Do you think that the new EU import regulation for organic products makes the work easier for producers/processors in third countries?	3.33 (1.033)	3.17 (0.753)	3.70 (1.059)	3.45 (0.963)
Do you think that the new EU import regulation for organic products makes the work easier for importers?	4.17 (0.408)	3.67 (0.516)	4.45 (0.522)	4.17 (0.576)
Do you think that the new EU import regulation for organic products makes the work easier for exporters?	4.20 (0.447)	3.17 (0.983)	4.27 (0.647)	3.95 (0.844)
Procedures required for inclusion on the equivalency/compliance lists, third country perspective				
Do you think that the procedures required for inclusion in the equivalency/compliance lists for CBs and CAs in general will be difficult to follow by third country CBs and CAs?	3.33 (0.816)	3.80 (1.304)	3.73 (0.647)	3.64 (0.848)
Do the CBs and CAs in third countries need assistance to follow these procedures?	4.20 (0.837)	4.50 (0.837)	4.58 (0.515)	4.48 (0.665)

*Mean values for the following 5 point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.

**Numbers in brackets are standard deviations.

The participants expected that the new import regulation would reduce the workload for organic importers and exporters. However, statistically there was significant difference in the opinion between the experience level groups with respect to this issue. The stakeholders with six to ten years of experience were less optimistic compared to the other groups, and especially compared to those having more than 10 years of experience (for importers, Kruskal Wallis Chi-Square = 6.936; df = 2; Asymp. Sig. = 0.031; for exporters, Kruskal Wallis Chi-Square = 6.113; df=2; Asymp. Sig. = 0.047).

The participants found that the new EU import regulation for organic produts may help producers and processors in third countries. However, the difference of opinion is significant between stakeholders from different working areas. The processors, importers and exporters group and the control bodies were hesitant and did not agree with the representatives of governmental authorities and NGOs on such a positive effect of the new EU import regulation for organic products (Kruskal Wallis Chi-Square = 6.367; df=2; Asymp. Sig. = 0.041).

The participants revealed a rather pessimistic attitude as regards the influence of the new EU organic import regulation on the workload of control bodies: They did not expect the new import regulation to reduce their work involved in the import process of organic products. With respect to this, those having five to ten years of experience in the sector were significantly more pessimistic than those having more than 10 years of experience (Kruskal Wallis Chi-Square = 8.363; df=2; Asymp. Sig. = 0.015).

The participants expressed the opinion that the procedures required for inclusion on the equivalency/compliance lists for control bodies and control authorities would be rather difficult to follow by the third country control bodies and control authorities. There was consensus about that the control bodies and control authorities in third countries would need assistance to follow these procedures smoothly and more efficiently. Representatives of the processing, importing and/or exporting companies stressed this requirement significantly more than the other groups (Kruskal Wallis Chi-Square = 5.745; df=2; Asymp. Sig. = 0.057). Assistance by the EU Commission and independent consultants were viewed as the most promising strategy. The stakeholders also underlined that support for this work should be organised by development organisations, competent authorities and accreditation bodies.

Issue 3: Impact on the quality of controls in third countries / effectiveness and efficacy of the control system

The stakeholders did not expect the new EU import regulation for organic products to significantly improve the quality and/or the efficiency of the organic control system along EU organic import supply chains (Table 25).

Table 25: Stakeholders' opinions on the potential of the new EU organic import regulation to improve the quality and efficiency of the organic import supply chain

	<1 -5 years	6-10 years	>10 years	Total
n	8	6	14	28
Do you think that the new import regulation has the potential to improve the quality of controls in third countries?	3.33* (1.033)**	2.33 (1.033)	3.08 (1.379)	2.96 (1.233)
Do you think that the new import regulation has the potential to improve the quality of the control system along the EU organic import supply chain? (from the producers in the third countries to the consumers in the EU countries)	3.57 (0.787)	2.50 (0.837)	3.08 (1.188)	3.08 (1.055)
Do you think that the new import regulation has the potential to improve the efficiency of the control system along the EU organic import supply chain?	3.83 (0.408)	2.83 (0.983)	3.36 (0.929)	3.35 (0.892)

*Mean values for the following five point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.

**Numbers in brackets are standard deviations.

Besides, there was consensus that the costs for the control bodies might increase. With respect to the influence on the costs of the overall control system and on costs for importers and exporters, there were significant differences between participant groups with different levels of experience. While the participants with more than ten years of experience thought that the costs borne by importers and exporters would decrease, those having ten years or less experience believed that these costs would rather increase. (For importers, Kruskal Wallis Chi-Square = 10.304; df=2; Asymp. Sig. = 0.006; for exporters, Kruskal Wallis Chi-Square = 12.532; df=2; Asymp. Sig. = 0.002). Considering the entire costs of the organic control system along the EU organic import supply chain – from the producers in the third countries to the consumers in the EU – participants with more than 10 years of experience expected no change as a result of the new EU organic import regulation. On the other hand, those having less than 10 years of experience (Table 26) expected an overall increase in the costs of the control system (Kruskal Wallis Chi-Square = 10.660; df=2; Asymp. Sig. = 0.005).

Table 26: Stakeholders' opinions on the influence of the new EU organic import regulation on the costs

	<1 -5 years	6-10 years	>10 years	Total
n	8	6	14	28
How do you think the new EU import regulation for organic products will influence the costs of the control system along the EU organic import supply chain?	2.00* (0.000)**	2.00 (0.000)	3.27 (0.786)	2.74 (0.872)
How do you think the new EU import regulation will influence the costs borne by importers?	2.67 (0.577)	2.50 (1.000)	4.00 (0.447)	3.44 (0.922)
How do you think the new import regulation will influence the costs borne by exporters?	2.00 (0.000)	2.00 (0.000)	3.67 (0.651)	3.11 (0.963)
How do you think the new import regulation will influence the costs borne by CBs of the third countries?	2.33 (0.577)	1.75 (0.500)	2.62 (0.870)	2.40 (0.821)

* Mean values for the following five point attitude scale: 1: Will severely increase; 2: Will increase; 3: Will not change; 4: Will decrease; 5: Will severely decrease.

**Numbers in brackets are standard deviations.

Issue 4: Coordination by the Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards

According to the stakeholders participating in the survey, procedures and standards for organic production are not sufficiently harmonised between third countries and the EU. From the stakeholders' point of view the areas which require further harmonisation are: standards for the control system, risk assessment procedures and the assessment procedures in general. To achieve harmonised standards and procedures, it was suggested to identify the major gaps, describe the differences between standards and procedures, identify points of non-equivalence, define priorities and to use a benchmark approach.

By eliminating the import authorisation procedure, and by processing all control bodies' applications by the European Commission, the new EU organic import regulation is expected to enhance the level of harmonisation. However, development of guidelines, check lists, and enhanced coordination and meetings between institutions (IFOAM, EOCC) were deemed necessary to achieve a higher level of harmonisation under the new regime (Table 27).

Table 27: Stakeholders' opinions on the level of harmonisation between third countries and the EU with respect to organic production

	<1 -5 years	6-10 years	>10 years	Total
n	8	6	14	28
Do you think that procedures and standards in organic production are sufficiently harmonised between third countries and the EU?*	2.00* (0.577)**	2.33 (1.033)	2.14 (1.027)	2.15 (0.907)

*Mean values for the following five point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.
**Numbers in brackets are standard deviations.

Issue 5: Guaranteeing fair competition for products produced inside and outside the EU (equal requirements)

The respondents were convinced that unfair competition in the market exists for both EU and third country control bodies, processors, traders and farmers involved in import and export of organic products to the EU. The participants thought that the new EU organic import regulation does not ensure fair competition for any of the parties (Table 28). A significant difference was found between the attitudes of the participants having six to ten years of experience in organic certification and the two groups with other levels of experience. The participants with medium level of experience were more pessimistic as concerns the contribution of the new EU organic import regulation to fair competition conditions for the EU control bodies, processors, traders and farmers (Kruskal Wallis Chi-Square = 6.258; df=2; Asymp. Sig. = 0.044).

Table 28: Stakeholders' opinions on the impact of the new EU organic import regulation on the conditions for fair competition

	<1 -5 years	6-10 years	>10 years	Total
n	8	6	14	28
Does unfair competition exist in the market for the EU CBs, processors, traders and farmers while providing organic products to the EU?	3.60* (1.140)**	3.67 (0.577)	3.69 (1.316)	3.67 (1.155)
Does the new import regulation ensure fair competition for the EU CBs, processors, traders, farmers?	2.71 (0.756)	1.75 (0.500)	3.08 (0.900)	2.74 (0.915)
Does unfair competition exist in the market for third country CBs, processors, traders and farmers while exporting organic products to the EU?	4.00 (0.000)	3.75 (0.500)	3.92 (1.038)	3.91 (0.811)
Does the new regulation ensure fair competition for third country CBs, processors, traders and farmers?	2.50 (0.577)	2.25 (0.500)	2.75 (1.138)	2.60 (0.940)

*Mean values for the following 5 point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.
**Numbers in brackets are standard deviations.

Issue 6: Reduction of trade barriers / easier access to the EU market

The responding stakeholders believed that the new EU import regulation for organic products has a potential to reduce the trade barriers and provide easier access to the EU organic market for third countries (Table 29). This is particularly the case for the equivalence approach. It seemed that concerns regarding the feasibility of compliance offset the positive expectations connected to this approach. The cost of EU market accession was supposed to remain unchanged. The difference between attitudes of the participants with respect to this issue was found to be significant between the three experience level groups. While those with more than 10 years of experience did not expect an increase in the costs of accession, less experienced groups, and especially those with medium level of experience expected these costs to increase (Kruskal Wallis Chi-Square = 11.811; df=2; Asymp. Sig. = 0.003).

Table 29: Stakeholders opinions on the impact of the EU new organic import regulation on reduction of the trade barriers

	<1 -5 years	6-10 years	>10 years	Total
n	8	6	14	28
Ease of market access				
Does the new EU import regulation for organic products have a potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?*	3.67* (0.816)***	3.67 (0.816)	4.08 (0.515)	3.88 (0.680)
Does the compliance approach in the new EU regulation have a potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?*	3.29 (1.25)	2.83 (0.983)	3.25 (0.965)	3.16 (1.028)
Does the equivalence approach as described in the new EU regulation have potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?*	3.71 (0.756)	3.67 (0.816)	4.08 (0.289)	3.88 (0.600)
Does the Third Country List approach in the new EU regulation reduce the trade barriers / provide easier access to the EU organic market for third countries?*	4.00 (0.000)	3.83 (0.753)	3.92 (0.760)	3.92 (0.640)
Costs of accession				
How do you expect the new EU organic import regulation to effect the costs of accession to the EU organic market for third countries?**	2.00** (0.000)	1.75 (0.500)	3.18 (0.603)	2.67 (0.840)

*Mean values for the following five point attitude scale: 1: Definitely no; 2: Rather no; 3: Neither yes, nor no; 4: Rather yes; 5: Definitely yes.

**Mean value for the second five point attitude scale (Costs of accession): 1: Will increase the costs quite much; 2: Will increase the costs a little; 3: Will not change the level of costs; 4: Will decrease the costs a little; 5: Will decrease the costs quite much.

*** Numbers in brackets are standard deviations.

3.3.4. Results of the Fuzzy Pairwise Comparison analysis

Table 30 presents the Fuzzy Pairwise Comparison analysis and the statistical tests. The mean values are representing the priorities or weight values of the issues. The highest value means that the respective issue takes the highest rank among the issues. In the present case, the issue of “Coordination by Commission to ensure harmonised procedures/standards” is ranking number one, while the issue of “Impact on the quality of controls in third countries/effectiveness and efficacy of the control system:” is of the second order.

Table 30: Results of the Fuzzy Pairwise Comparison analysis

	Mean	SD	Min	Max	Median
Common interpretation of "equivalency" and “compliance	0.3573	0.2099	0.0192	0.9	0.3504
Procedure for CBs/control authorities/countries for inclusion on the lists of equivalency/compliance/third countries	0.3788	0.1524	0	0.6683	0.3473
Impact on the quality of controls in third countries/effectiveness and efficacy of the control system	0.5251	0.1966	0.2652	1	0.4708
Coordination by the Commission to ensure harmonised procedures/standards	0.5538	0.1406	0.2151	0.8735	0.5331
Guaranteeing fair competition for products produced inside and outside the EU	0.4600	0.1375	0.1851	0.728	0.4432
Reduction of trade barriers / easier access to the EU	0.4276	0.1849	0.1	0.9	0.3983
Friedman Test (Chi Square)	38.713				
Kendall's W	0.102				

The Friedman test rejects the H_o hypothesis of no difference between the alternatives. In other words, all these six issues are of different importance in the view of the stakeholders. According to the Kendall’s W test, there is a weak concordance among the stakeholders.

4. DISCUSSION

The workshops covered the perspectives of different stakeholder groups (mainly traders/processors, control bodies and governmental authorities) as well as the perspectives of participants located inside and outside the EU. Switzerland represents a country which has been listed as third country for years and Turkey a country where all exports to Europe are still based on import authorisations. In all workshops the control bodies were strongly represented (28% / 20% / 36% of the participants in Turkey / Switzerland / Brussels, respectively) and they were the participants most active in the discussions. It has to be taken into consideration that the control bodies are the only group directly affected by the new EU organic import scheme. They had to submit their applications for recognition to the Commission in October 2009 and at the time of the workshops (October 2010 to January 2011) they had not yet received any response or feedback concerning their applications. Differences in the assessment of the EU organic import scheme among the stakeholder groups or the countries represented in the workshops will be mentioned below where significant.
The following chapter is structured according to the topics identified as most critical in the stakeholder survey.

Evaluation of the system with import authorisations

With respect to the current import system, the most prominent problems mentioned were the bureaucratic efforts for applying for import authorisations, delays in receiving the authorisations from the competent authorities of the member states and variation in the bureaucratic procedures and policies from country to country.

Issue 1: Common interpretation of "equivalency" and “compliance” according to Article 33(1) of Council Regulation (EC) No 834/2007

So far all products imported to the EU have to be produced according to standards and a control system equivalent to Council Regulation (EC) No 834/2007. Yet, no guidance was provided by the EU regulation or the Commission on the interpretation of equivalence. It was up to the Member States assessing the requests for import authorisations and the Commission assessing the requests of third countries for recognition. All these authorities decided more or less individually how to define equivalence for each deviation with the EU Regulation.
The compliance approach is a new option for importing organic products to the EU foreseen in the new EU organic import regulation, but not yet implemented. By introducing the compliance approach the question of defining and interpreting

equivalence as well as compliance became more important. For the first time the Commission provided guidance on interpretation of equivalence in the import guidelines published by end of 2008 (European Commission 2008). However, it is still difficult for the stakeholders to get a clear understanding on how the Commission is interpreting the EU regulation for organic imports. For example, it was quite common for control bodies operating in third countries to apply the EU organic regulation for certification. They were taken by surprise when the Commission clarified in a letter to the EOCC in September 2009 that under an equivalent approach a control body would have to apply a standard equivalent to the EU Regulation, and this could not be the EU regulation itself (EOCC, 2009).

The compliance approach has mostly been critically received by all stakeholders. There was consensus by the stakeholders that full compliance with the EU organic regulation can hardly be achieved under the conditions of the different third countries, especially for those countries with conditions (legal, climatic, socio-economic, etc.) differing substantially from the EU. It was also argued that even within the EU full harmonisation has not been achieved so far. From the traders' side the fact that the compliance approach does not require accompanying control certificates was appreciated. However, the concern was raised that the compliance approach may become a potential threat to the national legislation initiatives since there will be a competition between the EU and the third country organic laws.

There was consensus that the equivalence approach is a more feasible approach than compliance, since the local farming conditions and international standards can be taken into account. Some participants were concerned that "compliant" products may be perceived as better than "equivalent" products among traders and consumers and thus "equivalent" products may be discriminated.

It can be concluded that there is a need for common interpretation, respectively further information on the interpretation of the concept of equivalence. One might have expected that at least from the side of the European participants the concept of compliance would get some support – however, none of the participants argued that this approach would be better nor provide more fair conditions or more security for the market. The understanding was predominantly that the conditions in third countries are too different from those in the EU, and the import scheme needs sufficient flexibility to allow for adapted approaches in third countries.

Issue 2: Procedure for control bodies requesting for inclusion on the list of recognised control bodies and control authorities for equivalence / procedure for third countries requesting inclusion on the list of third countries

By 31.10.2009, 72 control bodies had requested inclusion on the list of control bodies applying equivalent standards and control schemes. The applications included a technical dossier provided by a qualified assessment body which had to prove that the control body met the EU requirements as outlined in Council Regulation (EC) No 834/2007.

The stakeholder discussion concerning the procedures for application for recognition by control bodies was characterised by the uncertainty regarding the actual requirements for the application caused by the delays in the evaluation of the applications and the lack of feedback from the Commission to the applicants. The control bodies were concerned and surprised since in other application processes (e.g. accreditation, recognition by the national government or import authorisations) an intensive communication between the applicant/control body and the authority has been common. The participants of all workshops (mostly the control bodies) unanimously criticised the

ambiguity of the evaluation procedures; the vague requirements regarding the content of the technical dossier, the unclear definition of equivalence and the lack of transparency in the overall process. Further, there were a lot of un-responded questions regarding administrative procedures, e.g. re-application of control bodies or import authorisations. The Commission was perceived as a black box where the control bodies had to feed in information but did not get any response in return.
The procedures for third countries applications were not the focus of the discussion. The reason might be that this is a long established procedure and the participants were less affected by its implications. The topic was not relevant for most EU and Swiss participants. However, the intransparent application and evaluation procedures were criticised. During the Swiss workshop the quality of surveillance of listed third countries was criticised, since it was felt that some countries listed (e.g. India) did not have a functioning system. Therefore concerns were raised regarding the future surveillance of approved control bodies in third countries.
To some extent it is normal that applicants are nervous and quite critical when they do not know the results of an evaluation. This applies even more for a new procedure and in cases where the approval has a strong or key influence on the companies/control bodies' future, business performance as it is in this case. The lack of direct individual communication with applying control bodies reduces the risk of unfair influence on the evaluation process and might be seen as a contribution to a consistent treatment of the applicants. On the other side it bears the risk that applicants fail just because of a misunderstanding of the requirements. Therefore, more public information/explanations on the requirements and the process may contribute considerably to the quality and efficiency of the evaluation and approval process.

Issue 3: Impact on the quality of controls in third countries / effectiveness and efficacy of the control system

It is often assumed that controls in third countries are less effective than in the EU. Therefore, the impact of the new EU organic import system on the quality of controls and on the effectiveness and efficiency was of specific interest. The overall assessment regarding a potential improvement of the quality of control under the new scheme was indifferent. Improvement and harmonisation was expected by the introduction of a central approval system for control bodies and their standards applied replacing the previous system of case by case assessments by the member states.
The traders highly appreciated the reduction of bureaucracy by elimination of the import permits, which is expected to result in reduced direct costs. However, the burden of the approval system has been shifted from the trade/importers to the control bodies. The control bodies were very worried about increasing costs caused by the new approval procedure and the increased costs for accreditation/surveillance. These costs are caused by the EU's new requirements for an assessment report by a qualified assessment body demanding a more intensive evaluation compared to the previous surveillance requirements. Especially the audits in critical locations and the review and/or witness audits to be carried out not only in the home country but also in a suitable proportionate number of the other countries, where the control body is operating (European Commission, 2008) cause extra work and costs. There were further worries that the Commission may charge the costs for on-the-spot examinations in third countries as outlined in Commission Regulation (EC) No 1235/2008, art. 11.4.
For an assessment of the overall costs and the efficiency and effectiveness of the system it has to be considered that the requirements for surveillance of control bodies operating in third countries will become more rigorous. So far there were no requirements regarding the surveillance activities in third countries. With the new

system the accreditation bodies will have to conduct additional visits and audits in third countries to satisfy the EU requirements. Such additional surveillance causes additional costs, but at the same time it contributes to an improved quality/effectiveness of the control system. On the other side it has to be taken into consideration that in the old system the permits have been issued on a case by case basis (based on documentation review with no visits on the spot). Just for the year 2010 a total of 1991 import authorisations were registered in OFIS[1], the Organic Farming Information System of the EU. For each authorisation the competent authority of a member state had to assess the equivalency of the applied standard and control system. For the new system the EU Commission in cooperation with the member states have to assess 72 applications from control bodies so far. The recognition of the control bodies will be valid for 5 years. I.e. the approval system with up to 2000 authorisations per year will be replaced by a system where 70 – 100 control bodies will be assessed/approved for a period of five years. It may be assumed that this will result in a tremendous reduction of bureaucracy and costs for the overall system. However, costs which may be shifted towards a more intensive surveillance will mean that the burden of costs will be shifted from traders to control bodies. It is not (yet) possible to estimate the shift of costs in figures and assess whether there will be an increase or decrease in the overall costs. Yet, most likely the new system will increase the efficiency of the system by focussing stronger on surveillance, which will also result in a more effective system. However, this increase in efficiency and effectiveness will depend on the way the system is implemented.

Issue 4: Coordination by the Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards

The request for more harmonisation was often mentioned in the discussions of the topics mentioned: import authorisation procedures, control requirements (e.g. recognition of conversion period, risk assessment), policies for pesticides, GMO residues and harmonised and transparent application surveillance procedures for control bodies operating in third countries.
The stakeholders expected that the Commission with its strengthened role in the new EU organic import scheme will be in the principal position to lead the process for harmonisation of standards, interpretations and procedures inside the EU and the standards assessment in third countries. The stakeholders also noted that an increase in transparency is a simple and very effective tool to contribute to harmonisation.

Issue 5: Guaranteeing fair competition for products produced inside and outside the EU (equal requirements)

The participants from the Brussels and Turkey workshops agreed that the old EU organic import regulation supported unfair competition. The main problems mentioned were the varying interpretation of equivalency and the different approaches among member states for issuing import authorisations. One example presented was the definition of the conversion period, where some control bodies had a very flexible approach for retroactive recognition, whereas others strictly applied the EU provisions. Some member states tolerated these flexible approaches, while others did not. In such cases, on the one hand, unfair competition is created among the producers if their products are “only” certified as “in-conversion” since usually they will not be able to

1 http://ec.europa.eu/agriculture/ofis_public/r9/ctrl_r9.cfm?targetUrl=list

export in-conversion products, whereas they would be able to export certified organic products. On the other hand, unfair competition is created among control bodies of which those with a more flexible approach are more attractive for the clients. The lack of transparency contributed considerably to this situation: neither the standards on which the import authorisations were based on nor the interpretation of the standards were publicly available.
The participants stressed that the implications of the new system depend very much on its implementation. It is difficult to assess how the new rules will be implemented as long as not even the list of approved control bodies has been published. Of specific concern among control bodies was the competence of the assessment bodies. Fair competition will require a harmonised surveillance system and an equal interpretation of the EU organic farming regulation respectively the equivalency concept. The control bodies are mostly accredited by the national accreditation bodies and their knowledge and experience with the organic control system varies considerably. While the Commission has defined some requirements for accreditation bodies, it is not clear how the Commission will verify whether they meet the defined requirements. Harmonisation among assessment bodies has been delegated by the Commission to the assessment bodies: “the Assessment Bodies are encouraged to undertake common evaluations and to write common assessment reports. They are also encouraged to draw up Codes of Good Practice and to communicate these to the Commission” (European Commission, 2008).

Issue 6: Reduction of trade barriers / easier access to the EU market

So far export to the EU market has depended on the issuance of an import authorisation (except for exports from approved third countries) – a procedure which could only be initiated by the European importer and only after the certification process was completed. This approach made it more risky for importers to import from new suppliers or to buy products certified by a control body which was not yet recognised by the competent authority for other import authorisations. This contributed to a lot of traders preferring to cooperate mainly with the same control body. Evaluation of the OFIS database showed that the majority of import authorisations issued in 2007 were based on certification by control bodies located in the EU or USA (Huber, 2008). Some participants in the workshops mentioned that under the new scheme local control bodies based in third countries would have competitive disadvantages to internationally operating control bodies. In fact, the opposite seems to be more likely: the harmonised application system will make direct contacts with control bodies operating in third countries to (European) authorities less important, and traders will be more flexible in selecting control bodies for controlling of operations in third countries. This will facilitate fair competition among control bodies.
The participants agreed that the new EU organic import scheme has the potential to reduce trade barriers and provide easier access to the EU organic market. The reasons are the reduced bureaucracy and capacities needed by traders since they do not have to deal with import authorisations anymore. However, it was again stressed that the effective reduction of trade barriers depends a lot on the implementation of the system, for example the effective number of control bodies and the number of countries they will be approved for (approvals of control bodies will be country specific and the control bodies will have to prove that they are already operating in the countries for which they apply for recognition). So far the internationally operating control bodies are offering their services more or less all over the world. In the future they will need a country specific procedure. Yet the Commission has not provided any information on how the scope of the approval can be extended to other countries. Therefore, the control bodies

are worried that such extensions will take a lot of time and delay or even hinder their operation in new countries. If, for example, no or only one control body will be approved in a third country by the EU, the access to the EU market in this country will obviously be reduced.
The compliance approach may be even better to facilitate access to the EU market since an accompanying product certificate is not required as is the case for products produced and traded within the EU. However, at present it is not clear how the compliance approach will be implemented and whether any control bodies or countries can qualify for this scheme.

Comparison of results from the national and international workshops:

The discussion topics were the same in the two national as well as in the international workshop. In all workshops, there were some common views regarding the new EU organic import regulation. First of all, the stakeholders participating in the workshops were complaining about the lack of transparency, of being poorly informed and not having clear guidelines on the procedures of the new EU organic import system. This uncertainty resulted in a lot of concerns and eventually even in unrealistic worries (e.g. about additional surveillance costs caused by on-the-spot-checks by the EU, interruption of trade with third countries since import authorisations discontinue while no control body has yet been approved in the respective countries). However, with a broad consensus the new scheme was considered as a step forward towards more flexible import procedures and a more harmonised system, providing new opportunities for the trade with third countries.
The priority of the issues discussed in the three workshops differed. In the Turkish workshop all six issues discussed were assessed to be equally important. In the international workshop dominated by stakeholders from the EU countries, “harmonisation” and “quality and efficiency of the control system” were rated with the highest priorities. I.e. there is agreement among all stakeholders that harmonisation and quality and efficiency are important issues, yet for the non-EU stakeholders’ access to EU markets, i.e. “reduction of trade barriers” is equally important. The participants of the Swiss workshop were not concerned about fair trade or access to the EU market since they felt that Switzerland would have full access to the EU market – also in the future. The control bodies present from Turkey and Switzerland stressed even stronger than the EU based control bodies the importance of clear guidelines for the application procedure of control bodies and the control scheme as well as the need for more transparency at various levels (e.g. approval procedures, implementation of standard and control requirements).

5. RECOMMENDATIONS

Considering the above mentioned findings, the following recommendations have been derived for improvement of both the import system for organic products and the organic sector as a whole.
The recommendations concerning the revised import scheme can be summarised as follows:

- more information, more transparency,
- improved surveillance of control bodies,
- more harmonisation.

The design of the new EU organic import regulation lays an excellent basis for reaching these objectives by establishing a procedure for approval of control bodies operating in third countries and by concentrating the approval decision at the level of the European Commission. By eliminating the import authorisation system the burden of proving the equivalence of the control system has shifted from the importer to the control body and from a case by case decision at the level of the EU member states to a central assessment and approval of the control system in question (standards and control procedures) at the level of the Commission.
The recommendations are based on the opportunities of the new import scheme. To implement the recommendations, the necessary capacities and means have to be provided especially at the level of the Commission.

More Information, more transparency

Introduction of new procedures and requirements always leads to uncertainty and concerns, but these recommendations go beyond the concerns raised by the control bodies which are currently in the application process for recognition according to the new EU organic import regulation procedures. The demand for more information came from all sector groups inside and outside the European Union represented at the workshops.
The simplest way to provide information is placing it on a website. Important tools have been created with the OFIS[1] as well as the Organic Farming Website [2]. These websites can be further elaborated to cover more detailed information for specific sector groups.

[1] *http://ec.europa.eu/agriculture/ofis_public/index.cfm*

[2] *http://ec.europa.eu/agriculture/organic/home_en*

The information of specific concern is explanations, guidelines and interpretations of the standards and control requirements:

- Publication of all standards being approved as equivalent to the EU organic regulation by the Commission (of third countries and control bodies)
- Publication of commented standards/requirements of the Member States in a database or information system (e.g. in Germany the working group of the competent authorities of the Bundesländer (LÖK) publishes its comments on the implementation of the EU organic farming regulation on the national organic farming website[1])
- Publications of explanations and comments on specific topics that are provided by the Commission (e.g. correspondence with sector groups like EOCC, presentations by members of the Commission at conferences/fairs, exemplary decisions in regard to equivalence assessment etc…). A specific topic of interest strongly requested by the stakeholders is providing of explanations by the Commission on the implementation of equivalence and compliance which go beyond those mentioned in the Guidelines on Imports of Organic Products (European Commission, 2008).
- Establishing an interactive question and answer section on the website which allows readers/stakeholders to pose questions which are answered by the Commission.
- Establishing a newsletter which frequently informs the target groups about relevant updates of the websites (see for example "The NOP Organic Insider", a customised NOP email notification system[2] at the website of the USDA National Organic Program).

Another means for information exchange would be workshops or training courses for specific sector groups.

Improved surveillance of control bodies

Varying implementation of standards and varying intensity and effectiveness of the application of the standards and control systems are a threat for the organic market and lead to distortion of competition among the market players. A more detailed description of the control system does not necessarily lead to a more effective system but will certainly make it more bureaucratic and most likely also more expensive. A key to an efficient and harmonised control system is an effective and harmonised supervision of the control bodies.

In order to ensure an efficient supervision system it is recommended to introduce a harmonised risk-based supervision system. This requires sufficient capacity at the Commission level and an effective cooperation with the national accreditation bodies, e.g. by conducting workshops with the European network of nationally recognised accreditation bodies, European Co-operation for Accreditation (EA) and other accreditation bodies who are accrediting organic control bodies applying for EU recognition (i.e. providing assessment reports for the approval procedure). I.e. the Commission should take a lead in initiating workshops on information exchange and harmonisation with the assessment bodies. Besides, it is recommended that the Commission elaborates a risk assessment system which is based on a harmonised

[1] *See http://www.oekolandbau.de/service/gesetze-und-verordnungen/loek-protokolle/*

[2] *http://visitor.r20.constantcontact.com/manage/optin/ea?v=001tanuLSmJHqsq1D840Z7eyw%3D%3D*

reporting system, a systematic analysis tool as well as the necessary means to conduct frequent surveillance visits in third countries. Risk based supervision does not necessarily mean more supervision, but more targeted and thus more efficient supervision.

Harmonisation

The issue of harmonisation was often mentioned in the stakeholder workshops. Harmonisation can be improved by increasing the transparency of the EU organic import regulation, i.e. the publication of information, interpretations, decisions, and approved standards on the EU website as described above under “More information, more transparency” is an effective tool to contribute to harmonisation. It supports an active cooperation with the organic sector towards more harmonisation by enabling the actors of the sector to identify gaps and differences in interpretation and developing potential solutions.
The necessity of a harmonised supervision system to obtain a more harmonised import system for organic products to the EU market has been described above. In addition to the topics already mentioned, following needs were dominating the discussion:

- A harmonised definition for risk assessment.
- Elaboration of guidelines for application of a full conversion period or retroactive recognition of the conversion period in third countries.
- Procedures for defining non-conformities and subsequent sanctions.
- Policy for dealing with residues from pesticides and GMOs.

6. REFERENCES

Anonymous (2010). MOAN 5th Annual Meeting. Tunis Hammamet, Tunisia, 07-09 June 2010, Meeting Report. http://www.ifoam.org/about_ifoam/around_world/eu_group-new/workareas/regulation/ pdf/MOANoutputreportTunisia_final.pdf, (accessed 2010-10-5).

Başarır, A., Gillespie, J.M. (2003). Goals of beef cattle and dairy producers: a comparison of the fuzzy pair-wise method and simple ranking procedure. Southern Agricultural Economics Association Annual Meeting. February 1-5, Mobile, AL.

Bowen, E.K., Starr, M.K. (1982). Basic Statistics for Business and Economics. McGraw-Hill

Carman, K., Keith, K. (1994). Community Consultation Techniques. DPI, Information Series No: QI 94030. Queensland, Australia, p: 76.

Häring, A.M., Vairo, D., Dabbert, S. and Zanoli, R (2009). Organic farming policy development in the EU: What can multi-stakeholder processes contribute? Food Policy. 34(3): 265-272.

EOCC (2009). EOCC member Consultation "Registration on the lists of recognized control bodies (Application of art 11 of Regulation 1235/2008)" Sept 2009, unpublished.

European Commission (2004). Evaluating EU activities – a practical guide for the Commission services. European Commission DG Budget, Brussels.

European Commission (2008). Guidelines on imports of organic products into the European Union. European Commission DG Agriculture and Rural Development, Brussels.

European Commission (2010a). An analysis of the EU organic sector. European Commission DG Agriculture and Rural Development, Brussels.

European Commission (2010b). Trusting in organic food – from the EU or abroad. Factsheet. European Commission DG Agriculture and Rural Development, Brussels.

Giordano, R., and Bell, D. (2000). Participant stakeholder evaluation as a design process. p. 53-60. In Proceedings on the 2000 conference on Universal Usability. ACM, Arlington, Virginia, United States.

Greene, J.C. (1987). Stakeholder participation in evaluation design: Is it worth the effort? Evaluation and Program Planning. 10(4): 379-394.

Hemmati, M. (2002). Multi-Stakeholder Processes for Governance and Sustainability – Beyond deadlock and conflict. Earthscan.

Huber, B. (2008). Opportunities and risks of the revised European import regime. 16th IFOAM Organic World Congress. Modena, Italy, June 16-20, 2008, http://orgprints.org/12781, (accessed 2010-06-12).

IFOAM EU Group (2006). Stakeholder involvement and transparency in the EU regulation for organic food and farming. Position Paper. International Federation of Organic Agriculture Movements EU Group. Brussels.

Kilcher, L., Willer, H., Huber, B., Frieden, C., Schmutz, R. and Schmid, O. (2011). The Organic Market in Europe. SIPPO, Zürich, FiBL, Frick.

Klir, G.J., Yuan, B. (1995). Fuzzy Sets and Fuzzy Logic: Theory and Application. Prentice Hall, New Jersey.

Lai, Y.J., Hwang, C.L. (1994). Fuzzy Multiple Objective Decision Making: Methods and Applications. Springer-Verlag, Berlin.

Michelsen, J., Schmid, O., Eichert, C., Gonzalvez, V., Lampkin, N. (2008). ORGAPET Section A4: Involving Stakeholders in Programme Design, Implementation and Evaluation. Version 6, April 2008.

Neuendorff J. and Huber B. (2009). The new import regulation; More reliability for imported organic products? Camilla M., Schlüter M. IFOAM EU Group (eds.): The New EU Regulation for Organic Food and Farming: (EC) No: 834/2007, IFOAM Publishing, Brussels, p.41-44.

Pierce J. (2010). Importing Organic to the EU, Past, Present and Future: A Third Country Perspective. Proceeding 4th European Organic Congress. Rome, June 21-22 2010, http://www.organic-congress-ifoameu.org/4th_Congress_Rome/Congress_material.aspx, (accessed 2010-10-5).

Schlüter, M. and F. Blake (2009). History of the EU organic regulation and its recent revision. In Mikkelsen, C. and M. Schlüter eds) The new EU regulation for organic food and farming: (EC) No 834/2007 – background, assessment, interpretation. IFOAM EU Group, Brussels.

Tanaka, K. (1997). An Introduction to Fuzzy Logic for Practical Applications. Springer-Verlag. New York.

Van Boxem, H. (2009). Presentation at AFI Workshop on 02.12.2009, see Report AFI-41 Brussels workshop http://www.organic-integrity.org/fileadmin/afi/docs/afi4/AFI4-Brussels-Report_2009-12-02.pdf (accessed 2011-08-08).

Van Kooten, G.C., Schoney, R.A. and Hayward, K.A. (1986). An alternative approach to the evaluation of goal hierarchies among farmers. Western Journal of Agricultural Economics. 11, 40-49.

Vedung, E. (1997). Public policy and program evaluation, Transaction Publishers, New Brunswick, London.

Weiss, C.H. (1998). Evaluation: Methods for studying programs and policies. Prentice Hall, New Jersey.

Zadeh, L.A. (1965). Fuzzy sets. Information and Control. 8, 338-358.

Regulations referred to in the document:

Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91. Official Journal of the European Union L 189/1.

Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries. Official Journal of the European Union L 334/25.

Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs. Official Journal of the European Union L 198/1.

Commission Regulation (EC) No 1580/2007 of 21 December 2007 laying down implementing rules of Council Regulations (EC) No 2200/96, (EC) No 2201/96 and (EC) No 1182/2007 in the fruit and vegetable sector. Official Journal L 350/1.

7. ANNEX

Annex 1 Evaluation questions

A) Common interpretation of "equivalency" and "compliance" according to Article 33(1) of Regulation (EC) No 834/2007

1. What are your experiences (positive & negative) with the equivalency approach?
2. What are / were your expectations with respect to the compliance approach?
3. What are the opportunities and threats of the compliance approach?
4. What issues require to be clarified by the EU Commission with respect to equivalency and compliance?
5. Do you expect there will be a 2-class-import system: Will the market have a clear preference for import products certified as compliant because such products will be regarded as higher quality than products certified as equivalent?
6. How could a clarification of these issues be achieved?

B) Coordination by Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards

1. What are/were your expectations towards harmonised procedures and standards with the EU (imports, national standards, private standards)?
2. What are your experiences (positive & negative) with harmonised/not harmonised standards?
3. What are your experiences (positive & negative) with harmonised procedures?
4. In which areas has the EU Import Regulation already achieved harmonisation?
5. Which areas require further harmonisation (procedures & standards)
6. Which actions should the EU take to achieve harmonised standards and procedures?

C) Procedure for requesting for inclusion in the list of recognised control bodies and control authorities (including procedures to ensure the update of the list of control bodies within areas) / procedure for third countries requesting inclusion in the list of third countries

1. What are the difficulties/favourable aspects third country control bodies (control bodies) and control authorities (CAs) faced/will face in fulfilling the procedures for control bodies and control authorities requesting for inclusion in the list of recognised control bodies and control authorities for equivalence/compliance?
2. How difficult/costly is it for third country control bodies and CAs to get on the list of equivalent/compliant control bodies and CAs? Is it equally difficult/easy for third country control bodies/CAs and for control bodies/CAs based in European countries to fulfil the procedures for control bodies and CAs requesting for inclusion in the list of recognised control bodies and CAs for compliance/equivalence?
3. Is any assistance needed for these procedures? Who might give the assistance (control bodies with European background / accreditation organisation / private consultants / cooperation among control bodies etc.?)
4. What are your experiences (positive/negative) regarding the procedure followed by third countries requesting for inclusion in the list of third countries?
5. Would it be easier for a third country producer / control body / exporter if the country becomes listed on the Third Country List?

6. Which actions should be taken, by which institutions, for faster inclusion?
7. How could the EU improve the procedure for requesting for inclusion in the list of recognised control bodies and control authorities?

D) Impact on the quality of controls in third countries / effectiveness and efficiency of the control system

1. What were your expectations with respect to the influence of the new import regulation on the quality of the control of organic production? Does the current legislation have the potential to compensate for these expectations?
2. What were your expectations with respect to the influence of the new import regulation on the efficiency of the organic product control system (efficiency in the use of resources in the control system / quality of the control system)? Does the current legislation have the potential to compensate for these expectations?
3. What changes are needed regarding the legislation, in order to enhance the quality of the controls and the efficiency of the control system in third countries? Do you have concrete recommendations to improve the efficiency of the system in practice?

E) Guaranteeing fair competition for products produced in and outside the EU (equal requirements)

1. Does the new EU import regulation for organic products ensure fair competition for control bodies, processors, traders and farmers in the EU and in the third countries?
2. What are the reasons for fair/unfair competition?
3. In which areas can unfair competition be found?
4. What measures should be introduced to overcome unfair competition if present?

F) Reduction of trade barriers / easier access to EU

1. Does the new import regulation reduce the trade barriers / provide easier access to the EU organic market for third countries? How?
2. Will it be more or less costly compared to the present regulation?
3. Does the compliance approach in the new regulation reduce the trade barriers / provide easier access to the EU organic market for third countries? How?
4. Does the equivalence approach in the new regulation reduce the trade barriers / provide easier access to the EU organic market for third countries? How?
5. Does the Third Country List approach in the new regulation reduce the trade barriers / provide easier access to the EU organic market for third countries? How?
6. Does the new import regulation enable easier access to the EU organic market for:
    a) farmers, b) processors, c) control bodies, d) traders/exporters
7. In the third countries? How?
8. What measures should be introduced by the EU to reduce the trade barriers / to enable easier access to EU organic market for third countries, without causing unfair trade.

Annex 2 Stakeholder workshop agendas

Agenda of the national stakeholder workshop in Turkey

Time	Session
10.30 – 10.45	Welcome, introduction of the workshop participants
10.45 – 11.00	Presentation: Introduction of CERTCOST project, workshop aims Prof. Dr. Bulent MİRAN
11.00 – 11.15	Presentation: Overview on the new EU import regulation for organic products Prof. Dr. Canan ABAY
11.15 – 11.30	Presentation: Workshop methodology Assoc. Prof. Dr. Murat BOYACI
11.30 – 13.00	Discussion Session 1 Group A: Common interpretation of "equivalency" and “compliance” according to Article 33(1) of Regulation (EC) No 834/2007 Group B: Coordination by Commission to ensure harmonised procedures / Establishment of principles encouraging the harmonisation of standards
13.00 - 14.00	**Lunch**
14.00 – 15.00	Discussion Session 2 Group A: Procedure for control bodies and control authorities requesting for inclusion in the list of recognised control bodies and control authorities (including Procedures to ensure the update of the list of control bodies within areas)/ Procedure for third countries requesting inclusion in the list of third countries Group B: Impact on the quality of controls in third countries/Effectiveness and Efficacy of the control system
15.00 – 16.00	Discussion Session 3 Group A: Guaranteeing fair competition for products produced in and outside the EU Group B: Reduction of trade barriers/ easier access to EU
16.00 – 16.30	**Coffee Break**
16.30 – 17.00	Exercise: Survey
17.00 – 18.30	Presentations of Group Discussion Results Final Discussion

Agenda of the national stakeholder workshop in Switzerland

10.00 – 10.15	Welcome (Matthias Stolze)
10.15 – 10.30	Presentation: Introduction to the workshop (Matthias Stolze)
10.30 – 11.00	Presentation: The new EU import regulation – an overview (Beate Huber)
11.00 – 12.30	**Discussion session 1** • Common interpretation of "equivalency" and “compliance” according to Article 33(1) of Regulation (EC) No 834/2007 • Coordination by Commission to ensure harmonised • Procedure for control bodies and control authorities requesting for inclusion in the list of recognised control bodies and control authorities
12.30 - 13.30	Lunch
13.30 – 14.30	**Discussion session 2** • Fair competition on the EU market for organic products from Switzerland • EU trade barriers and access for Swiss companies to the EU market for organic products
14.30 – 15.00	Coffee break
15.00 – 16.00	**Final discussion** Effectiveness and efficacy of the EU control system from a Swiss perspective

Agenda of the international stakeholder workshop in Brussels

	Day 1 – 24.01.2011 – the Import Certification Scheme
9:30 – 10:00	Registration
10:00 – 10:15	Welcome, introduction of the workshop participants
10:15– 10:35	Presentation: **Introduction of CERTCOST project**, workshop aims
10:35 – 11:15 11:15-11:20	Presentation: Overview on the new EU Import Regulation and current status of its implementation Introduction Workshop methodology
11:20 – 11:45	**Coffee Break**
11:45 – 13:15	**Discussion session1** **Issue A:** Common interpretation of "equivalency" and “compliance” according to Article 33(1) of Regulation (EC) No 834/2007 **Issue B:** Coordination by Commission to ensure harmonised procedures / Establishment of principles encouraging the harmonisation of standards; **Issue C:** Procedure for requesting for inclusion in the list of recognised control bodies and control authorities (including Procedures to ensure the update of the list of control bodies within areas) / Procedure for third countries requesting inclusion in the list of third countries
13.15 - 14.15	**Lunch**
14.15 – 15.45	**Discussion Session 2:** **Issue D:** Impact on the quality of controls in third countries / Effectiveness and Efficiency of the control system **Issue E:** Guaranteeing fair competition for products produced in and outside the EU (equal requirements) **Issue F:** Reduction of trade barriers/ easier access to EU
15.45 – 16.15	**Coffee Break**
16:15 – 18:00	**Presentation and Discussion Results**

	Day 2 – Tuesday 25.01.2011
8:30 – 10:15	**Session1: The Control System** The Costs of Certification – Matthias Stolze, FiBL – 20'+5 Assessing Risk Factors in the Control System – Raffaele Zanoli, PUM The certification program within the EU and in third countries – a comparison assessing the impacts on fraud risks (Jochen Neuendorff, GfRS)
10:15 – 10:45	**Coffee Break**
10:45 – 12:00	**Session 2: Best Practices Examples to improve efficiency of control procedures** Quality Assurance – Organic Tea from China (Frau Ka Yan Lee, Kloth & Köhnken Teehandel GmbH) Quality Management and Prevention of Fraud (Certisys from Belgium) Scoring Fraud Sensibility of Suppliers (Bo van Elzakker, Louis Bolk Institute)
	Lunch
13:00 – 14:30	**Working Groups:** How can the CERTCOST results contribute to more efficient control systems? – Moderator: Stefan Dabbert How to encourage quality assurance at trade level (incl. code of conduct)? Moderator: Uli Hamm How to encourage quality assurance at control body level (incl. code of conduct)? Moderator: Jochen Neuendorff, Elisabeth Rüegg How to facilitate fraud detection on public and private level? Moderator: Bo van Elzakker
14:30 - 14:45	Coffee Break
14:45 –15:45	**Session 3: Dealing with residue cases – examples from 2010** Phosphine fumigation residues in organic cereals and other cases of fraud in Switzerland (Dr. Daniel Andrey, Chemist of the Urkantone Switzerland)
15:45 – 16:00	**Conclusions and Closing**

Annex 3 Guidelines for facilitators

Overview

The workshop will be organised under the EU 7th Framework Program Project CERTCOST, and is the last one of a series of three workshops. Two national workshops were planned in exporting (third) countries Turkey and Switzerland and one European workshop in Brussels for stakeholder evaluation of the revised Reg. EEC 2092/91 import regime.

The first workshop is realised on 27 October 2010 in Izmir Turkey, with participation of Turkish stakeholders.

The second workshop will be realised in January 2011 in Basel Switzerland, with participation of Swiss stakeholders.

This guideline includes information on the background, objectives and the organisational details of the European Workshop.

Objective

As does the WP 2.5, the European Workshop will focus on evaluation of the revised EU import regulation concerning organic products, with special reference to implications on costs for both,

- EU member states
- and exporting non-EU member states.

It is aimed to realise a stakeholder evaluation of the subject against a list of pre-determined evaluation criteria and a set of related discussion questions.

The revision process to be elaborated comprises the change of the import regime under EEC 2092/91 in to the import regime under the EEC 834/2007. Detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products are laid down under the new Import Regulation for Organic Products from the third countries (Commission Regulation (EC) No 1235/2008).

In addition to the information gathered and carefully recorded during group discussions; a bottom up survey on the first day and a structured survey on the second day are planned to be carried out with the stakeholders. While the bottom up survey will provide opportunity to have stakeholders' free wishes on the subject and their priorities; the structured survey will enable us to have more structured data on the evolution of the stakeholders regarding the new import regime.

Task 2.5: Evaluation of the revised Reg. EEC 2092/91 import regime in the DoW (see box)

Description of Work
The revision of the Reg. EEC 2092/91 import regime (Reg. EEC 1991/2006) extends the possibility for the member states to grant import authorisation. The implications on costs will be assessed with respect for both, EU member states and exporting non-EU member states following the responsive concept of the Stakeholder Evaluation approach developed by P6. The revised Reg. EEC 2092/91 import regime will be evaluated during a series of national workshops in countries exporting organic products to the EU (TR and CH) and during a two-day workshop to be held in Brussels against a list of evaluation criteria (e.g. implementation, reduction of trade barriers, implications for exporting countries, EU administrative implications) to be discussed at the 2nd project meeting. Workshop participants will be recruited from the major groups of actors i) involved in developing and implementation process of the revised import regime and ii) the relevant EU (DG Agric IFOAM-EU and other EU level) and non-EU (third country) target actors. The results of task 2.5 will be reported in D 2.1 Report on evaluation of the Revision of the Reg. EEC 2092/91 import regime by P6 in co-operation with P2.

Expected Results
R 2.5 In-depth understanding of the strengths, weaknesses and cost implications of the import regime (Reg. EEC 1991/2006) based on a stakeholder evaluation procedure conducted in two exporting countries and on an international level.

Components of the Workshop

At the beginning of the WS information will be presented to the participants regarding the CERTCOST Project and the new EU import regulation for organic products. Then, the participants will be divided in to small groups, and discuss the predetermined issues relating to the new EU import regime. The group results will be presented and discussed in a general session. A bottom up survey and a structured survey will be conducted on the first and the second days of the WS respectively

Informative Presentations

The workshop programme starts with informative presentations on the CERTCOST Project, the new EU Import Regime and current status of its implementation.

Detailed explanation of the methodology to be followed throughout the group discussion sessions will be given within the small groups by the facilitator. Participants would be informed on their group name, on the issues to be discussed in their group and they would be oriented to their respective discussion rooms by means of their hand-outs and the signs on the rooms. At the end of the presentation session in the morning, they will be oriented to their respective small

group rooms for the group discussion session. The facilitators will start the group sessions with explanation of the methodology to be used along the group discussions

Group Discussions

Taking the agenda and the current number of the registrations (47 plus CERTCOST participants) in to account, formation of three to five discussion groups seems optimum. In this way, each of the six issues would be discussed in one or two small groups and there would be enough time for presentation and in depth discussion of the group results in the general session. The 4th and 5th groups will be decided upon on the interest of the participants, i.e. the two biggest groups will be further split up if needed.

Bottom up Survey

In the Task 2.5 small group meeting in Basel it is agreed to also make a bottom up survey in the EU WS.

- First Day:
  - At the registration it will be announced to participants that they were expected to write down an answer to the following question: “You have a free wish for the import rules – what would you want?” Collared small cards will be distributed for this.
  - Before the first coffee brake and at the end of the explanations on the workshop methodology by Bülent Miran/Matthias Stolze, it will be reminded to the participants to write their wishes and keep them until they will be collected by the organisers.
  - At the beginning of the general session in the afternoon the participants will be asked to put their wish cards on the table and they will be collected.
  - The wishes will be grouped and summarised by topics in the evening by Murat/Matthias/Beate. A flipchart will be prepared showing the summarised wishes.
- Second day:
  - Prior to lunch the summarised wishes will be presented and the participants will be asked to put stickers on the issues they find most important.
  - The results will be presented at the closing session, together with the summary results of the structured survey.

Structured Survey

In order to gather structured data from the individual participants a survey will be conducted at the end of the first session on the second day. 30 minutes will be given to participants for that. Survey questionnaire to be used in the WS is attached to this document.

The Methodology of the Group Discussion Sessions

Why group discussions?

- Participatory group discussions are effective methods for creating synergy.
- All participants feel themselves as the owner of the outputs.
- The different background and expectations of the participants will be reflected on the results of the meeting.
- The notes taken will help to reporting phase.

Who will participate?

- Workshop participants is aimed to cover the major groups of actors i) involved in developing and implementation process of the revised import regime and ii) the relevant EU (DG Agri, IFOAM-EU and other EU level) and non-EU (third country) target actors.
- In order to attain a higher number of relevant participants, the workshop is planned as a joint event with AFI. The first announcement has been made on CERTCOST and AFI web pages and newsletters on late November and early December 2010. Besides, a limited number of relevant stakeholders from:
    - EU Commission,
    - Certification Bodies,
    - Organic Trade Companies,
    - Representatives of governmental authorities,
    - Representatives of relevant international organisations such as IFOAM,
    - and other stakeholder groups

  were sent individual invitations to the workshop.

Date and Location

- The European Workshop will take place on the 24th and 25th of January 2010, in Brussels in Club of the University Foundation. Separate rooms will be used for group discussions.

Explanations to the Participants on the Subject

- Before the discussion sessions the participants will be informed on the revision of the EU import regulation on organic products and on the aims of the workshop.
- Explanatory hand-outs about the discussion topics and methodology will be provided to the participants both before the meeting via e-mail and at the meeting.

How will the process work?

- The initial stages of forming the groups.
- Following the explanations the questions and expectations will be declared at the general session to the participants.

- The participants will be divided into three/five small groups for discussion of six predetermined issues, according to their interests.
- Group discussions will take place as parallel sessions. Each group discussion session is scheduled to take 90 minutes (see the agenda).
- Members of each group will designate a spokesman/woman for presenting their results in the general session.
- The facilitators will manage the group discussions.
- A person will keep the records in each group for presenting and reporting phases.
- All ideas must also be written on the large sheets on flipchart by the facilitator. The written material will be useful during the reporting phase. By using the sheets, information will be visualised as well.
- The facilitator states the question to be answered and clarifies it.
- In this stage, the questions related with the discussion issue will be reflected on the screen one by one (if this is not possible each question must be written on the large sheets one by one). The participants should be able to see the questions easily during the discussions. The questions will help for a more detailed and structured discussion on each issue. This will also enable a more clear process of recording and analysis of the information gathered.
- Each participant must freely explain his/her ideas. Facilitators must encourage the participants to speak. Facilitators should not allow some participants to dominate the group discussions.
- In the groups, the participants discuss the ideas, accept, modify or reject them, then prepare a group presentation on the discussion topics they dealt with.
- For taking the suggestions and/or recommendations of action of the participants (generally the last question under the relevant issue), the following process will be run;
    - The small colorful cards will be distributed in the groups
    - All participants will write their suggestions/action recommendations on these colorful cards.
    - Each small card will include only one suggestion. If someone wants to mention more than one suggestion he/she can use more cards.
    - Facilitator will collect the suggestions for combining same or similar ones jointly with the participants,
    - Than the group will discuss the recommendations.
    - By using this methodology, all members of the group will be able to participate in evaluation and decision process in a short time.
    - The colorful small papers will be attached on the large sheets for the group presentation.
    - Short explanations on the suggestions as well can be written on the large sheets for clarification.

- Participants will return into the general session. The spokesman/woman of each group will present their ideas/results. All participants will discuss the results, and when needed corrections and/or contributions will be done and recorded in the general session.
- These presentations will not take more than five minutes. Otherwise, limited time remains for general session discussions.
- The results of the group discussions and presentations will form the main output and the material for reporting.
- Notes taken during all discussions and presentations; plus clear summary reports by the facilitators on each of their group sessions and video records of the general sessions will support the compilation of the final report of the Brussels Workshop.
- Each facilitator will prepare his/her own group report including group discussions results and recommendations and send it to the organiser (EGE; ozlem.uysal@ege.edu.tr) until 11 February 2011.

What is needed for the workshop?

CHECKLIST

- Three/five facilitators.
- Three/five persons for taking notes of the group discussions (at least one person for each group).
- Three/four rooms (for general session and small group discussions. In case of five groups, two groups can share the biggest room for discussions)
- The rooms for small group discussions will be arranged as U shape or as “round tables” depending on the final number of participants/small group
- Three/four laptops (EGE) and data shows (CUF) are needed for reflecting the questions on the screen or wall; and for the presentations during the plenary sessions. If more than four groups are formed during the discussion sessions; flipchart and/or hand-outs could be used in the smallest group.
- A video camera for video-tape recording of the general session (EGE)
- Hand-outs covering information on the discussion topics and the methodology for each participant (information will also be sent to the participants via e-mail before the meeting for enabling their preparation) (EGE).
- 110x70 cm sheets (FiBL).
- board markers (in different colours) (50-60 board markers) (EGE),
- small cards (colourful) (EGE),
- sticky tapes and adhesives (for each group) (EGE),
- A4 papers (CUF),
- pens (CUF),
- name tags (EGE),

- refreshments (during the discussion participants freely drink water, coffee, tea etc., it also gives opportunity to shorten the duration of coffee breaks but, increases the costs) (CUF).

Issues of Discussion

The issues and concerns discussed during the workshop were determined through an internet survey. In order to prepare the internet survey questions, an in depth literature review was carried out including scientific and legal documents. The internet survey was sent to more than 1500 stakeholders involved in the organic product import/export processes all over Europe. These included producers and processors of organic products, certification bodies, NGOs involved in organic sector, policy makers, etc. A total of 77 individuals fully responded the questionnaire.

As a result of the internet survey, six major issues were identified as being the most relevant for discussion along the series of national and European workshops on the subject, as being:

A) Common interpretation of "equivalency" and “compliance” according to Article 33(1) of Council Regulation (EC) No 834/2007.

B) Coordination by Commission to ensure harmonised procedures / establishment of principles encouraging the harmonisation of standards.

C) Procedure for requesting for inclusion in the list of recognised control bodies and control authorities (including Procedures to ensure the update of the list of control bodies within areas) / procedure for third countries requesting inclusion in the list of third countries.

D) Impact on the quality of controls in third countries / effectiveness and efficiency of the control system.

E) Guaranteeing fair competition for products produced in and outside the EU (equal requirements).

F) Reduction of trade barriers / easier access to EU.

Annex 4 Survey Questionnaire

economic analysis of certification systems in organic food and farming

CERTCOST

EU Seventh Framework Programme Project

WP 2.5

Evaluation of the revised EU Import Regulation

Stakeholder Evaluation Survey

January 25th, 2011

Brussels

ANNEX

This survey is part of an EU 7th FP project titled "Economic analysis of certification systems for organic food and farming" (CERTCOST). Within the framework of the project, an evaluation based on stakeholder participation of the EU revised Import Regulation for Organic Products from third countries (Commission Regulation (EC) No 1235/2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries) is planned. The present survey is a complementary part of the related workshop, aimed at identifying your opinions and experiences regarding the EU new Import Regulation for Organic Products. The answers provided will be analysed anonymously and for purely scientific purposes. In order to enable the research project to achieve beneficial results it is crucial that the answers you provide reflect your real views and your experiences as much as possible. Thank you in advance four your patience and for your support.

Your name and surname		C1
Type of company / organisation (Please circle one or more)	**1)** Farmer **2)** Processor **3)** Exporter **4)** Importer **5)** Certification Body **6)** Governmental authority **7)** Accreditation Body **8)** NGO	C2
Your position	**1)** Senior Management **2)** Middle Management **3)** Administrative/support staff **4)** Individual trader/freelancer/consultant **5)** Other, please specify:	C3
How long have you been working in the field of organic import/ export and / or certification of organic products?	**1)** < 1 year **2)** 1-5 years **3)** 6-10 years **4)** > 10 years	C4
How are you involved in trade with organic? You are mostly: (Please circle one or more)	**1)** An exporter **2)** An importer **3)** Both exporter and importer **4)** Other, please specify:	C5
You mostly import from continents: (Please circle one or more)	**1)** EU Countries **2)** Africa **3)** Asia **4)** Europe **5)** North America **6)** South America **7)** Oceania **8)** Eastern Europe	C6
You mostly import from following countries: (Please circle one or more)	**1)** EU Countries **2)** Africa **3)** Asia **4)** Europe **5)** North America **6)** South America **7)** Oceania **8)** Eastern Europe	C7
You mostly export to continents: (Please circle one or more)	**1)** EU Countries **2)** Africa **3)** Asia **4)** Europe **5)** North America **6)** South America **7)** Oceania **8)** Eastern Europe	C8
You mostly export to following countries: (Please circle one or more)	**1)** EU Countries **2)** Africa **3)** Asia **4)** Europe **5)** North America **6)** South America **7)** Oceania **8)** Eastern Europe	C9

ANNEX

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	Definitely no	Rather no	Neither yes, nor no	Rather yes	Definitely yes	I don't know	
Did you have difficulties with regard to the EU's previous organic import regulation (EC 2092/91)?							C10
Do you think that the equivalency approach worked well according to previous regulation?							C11
Have you been informed of the EU new organic import regulation (EC 1235/2008) and its likely effects before this meeting?							C12
Is the meaning of the equivalence approach clear to you?							C13
Is the meaning of the compliance approach clear to you?							C14
Do you think that the new import regulation has the potential to reduce the level of problems the EU countries faced while importing organic products?							C15
Do you think that the new import regulation has the potential to reduce the level of problems third countries faced while exporting organic products to EU?							C16
Do you think that the compliance approach has the potential to overcome the difficulties the EU countries faced while importing organic products?							C17
Do you think that the compliance approach has the potential to overcome the difficulties third countries faced while exporting organic products to EU?							C18
Do you expect there will be a 2-class-import system, with preference for compliance?							C19
Do you think that the new import regulation makes the work for CBs easier?							C20
Do you think that the new import regulation makes the work for producers/processors of the third countries easier?							C21
Do you think that the new import regulation makes the work for importers easier?							C22
Do you think that the new import regulation makes the work for exporters easier?							C23
Do you think that, in general, the the procedures required for inclusion in the equivalency/ compliance lists for CBs and CAs will be difficult to follow by the third country CBs and CAs?							C24
Do the CBs and CAs in third countries need assistance to follow these procedures?							C25

If there is need for assistance, who might give the assistance? Please list them.	Suggestion 1:	C26
	Suggestion 2:	C27
	Suggestion 3:	C28

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	Definitely no	Rather no	Neither yes, nor no	Rather yes	Definitely yes	I don't know	
Do you think that inclusion in the Third Country List facilitates the work for the CBs and CAs in the third countries?							C29

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	Will severely increase	Will increase	Will not change	Will decrease	Will severely decrease	I don't know	
How do you think the new import regulation will influence the costs of the control system along the EU organic import supply chain (from the producers in the third countries to the consumers in the EU countries)?							C30
How do you think the new import regulation will influence the costs beard by importers along the import process?							C31
How do you think the new import regulation will influence the costs beard by exporters along the export process?							C32
How do you think the new import regulation will influence the costs beard by CBs of the third countries along the export process?							C33

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	Definitely no	Rather no	Neither yes, nor no	Rather yes	Definitely yes	I don't know	
Do you think that the new import regulation has the potential to improve the quality of controls in third countries?							C34
Do you think that the new import regulation has the potential to improve the quality of the control system along the EU organic import supply chain? (from the producers in the third countries to the consumers in the EU countries)							C35
Do you think that the new import regulation has the potential to improve the efficiency of the control system along the EU organic import supply chain?							C36
Do you think that procedures and standards in organic production are sufficiently harmonised between third countries and the EU (national standards, private standards)?							C37

Which areas require further harmonisation	1)	C38

(procedures & standards)? Please list them.	2)	C39
	3)	C40
Which actions should be taken to achieve harmonised standards and procedures? Please list them.	Suggestion 1:	C41
	Suggestion 2:	C42
	Suggestion 3:	C43

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	Definitely no	Rather no	Neither yes, nor no	Rather yes	Definitely yes	I don't know	
Does unfair competition exist in the market for the EU CBs, processors, traders and farmers while providing organic products to the EU?							C44
Does the new import regulation ensure fair competition for the EU CBs, processors, traders and farmers?							C45
Does unfair competition exist in the market for third country CBs, processors, traders and farmers while exporting organic products to the EU?							C46
Does the new regulation ensure fair competition for third country CBs, processors, traders and farmers?							C47

What are the reasons for fair / unfair competition as consequence of the new import regulation? Please list them.	1)	C48
	2)	C49
	3)	C50

What measures should be introduced in the new import regulation to overcome unfair competition if present? Please list them.	Suggestion 1:	C51
	Suggestion 2:	C52
	Suggestion 3:	C53

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	Definitely no	Rather no	Neither yes, nor no	Rather yes	Definitely yes	I don't know	
Does the new import regulation have a potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?							C54
Does the compliance approach in the new regulation have a potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?							C55
Does the equivalence approach as described in the new regulation have potential to reduce the trade barriers / provide easier access to the EU organic market for third countries?							C56
Does the third country list approach in the new regulation reduce the trade barriers / provide easier access to the EU organic market for third countries?							C57

Please kindly mark the corresponding cell with "X"

	1	2	3	4	5		
	will increase the costs quite much	will increase the costs a little	will not change the level of costs	will decrease the costs a little	will decrease the costs quite much	I don't know	
How do you expect the EU new organic import regulation to effect the costs of accession to the EU organic market for third countries?							C58

What measures should be introduced to reduce the trade barriers / enable easier access to EU organic market for third countries, without causing unfair trade? Please list them.	Suggestion 1:	C59
	Suggestion 2:	C60
	Suggestion 3:	C61

ANNEX

Please make pairwise comparisons of the following issues. For doing this, in each row, first decide which of the two issues is according to your opinion the more important issue. After that please consider only the issue you preferred and determine its level of importance according to you. If you think that both issues are equally important, then choose "Equal".

Issue A	Absolutely important	Quite Mostly important	Moderately important	A little important	Extremely little important	**Equal**	Extremely little important	A little important	Moderately important	Quite mostly important	Absolutely important	**Issue B**
Common interpretation of "equivalency" and "compliance" *												Procedure for CBs and CAs for inclusion in the list of recognised CBs and CAs
Common interpretation of "equivalency" and "compliance" *												Impact on the quality of controls in third countries/Effectiveness and Efficacy of the control system
Common interpretation of "equivalency" and "compliance" *												Coordination by Commission to ensure harmonised procedures / standards
Common interpretation of "equivalency" and "compliance" *												Guaranteeing fair competition for products produced in and outside the EU
Common interpretation of "equivalency" and "compliance" *												Reduction of trade barriers/ easier access to EU
Procedure for CBs and CAs for inclusion in the list of recognised CBs and CAs												Impact on the quality of controls in third countries/Effectiveness and Efficacy of the control system
Procedure for CBs and CAs for inclusion in the list of recognised CBs and CAs												Coordination by Commission to ensure harmonised procedures / standards
Procedure for CBs and CAs for inclusion in the list of recognised CBs and CAs												Guaranteeing fair competition for products produced in and outside the EU
Procedure for CBs and CAs for inclusion in the list of recognised CBs and CAs												Reduction of trade barriers/ easier access to EU
Impact on the quality of controls in 3rd countries/ Effectiveness and Efficacy of the control system												Coordination by Commission to ensure harmonised procedures / standards
Impact on the quality of controls in 3rd countries/ Effectiveness and Efficacy of the control system												Guaranteeing fair competition for products produced in and outside the EU
Impact on the quality of controls in 3rd countries/ Effectiveness and Efficacy of the control system												Reduction of trade barriers/ easier access to EU
Coordination by Commission to ensure harmonised procedures / standards												Guaranteeing fair competition for products produced in and outside the EU
Coordination by Commission to ensure harmonised procedures / standards												Reduction of trade barriers/ easier access to EU
Guaranteeing fair competition for products produced in and outside the EU												Reduction of trade barriers/ easier access to EU

*according to (EC) No 834/2007

Annex 5 Definition of some basic concepts relating to the workshop discussions

Equivalence:

'Equivalent', in describing different systems or measures, means that they are capable of meeting the same objectives and principles by applying rules which ensure the same level of assurance of conformity (Council Regulation (EC) No 834/2007, Article 2).

The EC definition relates both, to third countries and to control bodies. For each category, a list will be compiled with equivalent certification systems respectively control measures (Council Regulation (EC) No 834/2007, Article 33). The ITF defines equivalence as "acceptance that different standards or technical regulations on the same subject fulfil common objectives" (International Task Force (ITF) 2007) (CERTCOST Project Deliverable 5, Glossary).

Under the new regulation, there are two equivalence routes. One is the existing system of recognition of a third country and the published list of recognised Third Countries (Article 33.2). The other is new (Article 33.3) and allows for individual CBs based anywhere in the world to apply for recognition as providing equivalent controls. Recognition will require submission of evidence of equivalence of the standards being applied as well as equivalence to both ISO guide 65 and the special inspection measures specified in the regulation. The control body must also provide evidence that it is subjected to on-site assessment, surveillance and reassessment by a supervisory body similar to that carried out in formal accreditation. This assessment will form the basis for approval by the Commission assisted by the Member States. Under the equivalence route, transaction certificates are obligatory (IOAS, 2011) (http://www.ioas.org/euqa.htm).

Compliance:

Compliance is fulfilling specific requirements, like e.g. the production rules of Council Regulation (EC) No 834/2007. In trading of organic foods with third countries, the European organic regulation differentiates between compliant products (Article 32) and equivalent products (Article 33). When importing into the EU via Article 32, the production and control have to comply with Council Regulation (EC) No 834/2007. In the case of equivalence, imports via Article 33 require equivalent production rules and equivalent control effectiveness (CERTCOST Project Deliverable 5, Glossary).

Compliance means that all requirements of (EC) 834/2007 are fully met including any relating implementing rules and that the control body is formally accredited against EN45011 (ISO/IEC Guide 65) with ongoing surveillance. This accreditation will be the basis for approval by the Commission with assistance from the Member State authorities. At a meeting at Biofach 2007, the Commission clarified that compliance will mean precise compliance with all parts of the regulation and implementing rules and may not be an achievable option for non-EU control bodies e.g. the need for a seed database maintained by your government. Transaction certificates will not be required but should be available if requested (IOAS, 2011) (http://www.ioas.org/euqa.htm).

Effectiveness: Degree to which objectives are achieved and the extent to which targeted problems are resolved. In contrast to efficiency, effectiveness is determined without reference to costs and, whereas efficiency means "doing the thing right," effectiveness means "doing the right thing." (http://www.businessdictionary.com/definition/effectiveness.html)

Efficiency: Comparison of what is actually produced or performed with what can be achieved with the same consumption of resources (money, time, labour, etc.). It is an important factor in determination of productivity. (http://www.businessdictionary.com/definition/efficiency.html)