Chapter 9

Adequacy of the import regime

9.1 Introduction

Evaluation Question 4

To what extent have the import rules been adequate to achieve the global objectives of the regulation (i.e. to ensure the effective functioning of the internal market, to guarantee fair competition and to ensure consumer confidence)?

In answering this question the lessons learned from the application of the equivalence principle need to be examined, drawing on the experience gained with the expiring import regime based on import authorisations managed by Member States, and with the import regime based on recognition of equivalent third countries managed by the Commission.

In the last two decades, organic supply and distribution chains have become increasingly globally organised and a large number of products sold on the EU market are imported (Halberg et al., 2006). Although no detailed data is available about the share of products imported into the EU, there are few indicators showing the relevance of imports for the organic market. For example, the EU Member States have been granting around 4 000 import authorisations annually (European Court of Auditors, 2012) and there are around 1 600 approved importers in the EU, mostly located in Germany, the Netherlands, the United Kingdom, Denmark, Sweden and France (see Figure 2.3).

Typical products which are imported include coffee, cacao, tea, tropical fruits but also products which are grown in Europe (Willer and Kilcher, 2012). According to Schaack et al. (2011), for example 95 % of linseeds, 15 % of potatoes, 11 % of barley, and 8 % of wheat sold on the German market were imported from non-EU countries in 2009/2010. This illustrates that imported organic products are competing with organic products grown in Europe. For ensuring fair competition and consumer protection it is of high importance that production rules are equivalent with the EU requirements and that the control systems ensure the same level of assurance of conformity as within the EU. On the other hand, it is relevant for functioning of the internal market that administrative procedures allow for timely delivery of the products at a reasonable cost.

Requirements for imported products and the recognition and supervision procedures of control authorities and control bodies in third countries are specified in Article 32 and 33 of Regulation (EC) 834/2007. As shown in Table 9.1, the import rules comprise of four different procedures to place organic products from third countries on the EU market. Accordingly, organic products may

be imported when the equivalence[1] is assured through import authorisations (Procedure 1, only applicable until July 2014)[2], the recognition of a third country (Procedure 2) or the recognition of a control body using equivalent standards (Procedure 3, in force since July 2012). Details on the requirements are given in Chapter 3 and in Section 9.3.1. Besides the equivalence approach, products may also be imported that are certified by a control body and comply fully with the EU Regulation (compliance approach, Procedure 4). However this approach has not yet been implemented and therefore has not been considered here.

Table 9.1: Approaches and procedures of the import regime

Approach	Procedure	Status
Equivalence with the EU Regulation	Procedure 1: **Granting authorisations to importers**	Implemented under Regulation (EEC) 2092/91 Member States shall no longer grant any authorisation from July 2014
	Procedure 2: **Recognition of third countries** having a national system complying with principles and production rules equivalent to EU rules and applying control measures with equivalent effectiveness to EU rules (Recognition by the Commission)	Implemented under Regulation (EEC) 2092/91
	Procedure 3: **Recognition of control bodies** complying with principles and production rules equivalent to EU rules and applying control measures with equivalent effectiveness to EU rules (Recognition by the Commission)	Implemented under Regulation (EC) 1235/2008 In force since 01.07.2012
Compliance with the EU Regulation	Procedure 4: **Recognition of control bodies** applying the EU Regulation by the Commission	Not yet implemented [a]

a) Implemeting rules exist but the deadline for submitting applications from control bodies has been postponed until 31 October 2014

Source: Own presentation based on Regulation (EC) 834/2007.

In the following section, the judgment criteria and approach are described. This is followed by a presentation of the results with regard to the adequacy of the import procedures, effectiveness of the control system and the degree of consumer confidence in imported organic products. Finally, the judgement in response to the evaluation question is presented.

[1] According to Article 2 of Regulation (EC) 834/2007 the term 'equivalence' means that applied systems and measures "*are capable of meeting the same objectives and principles by applying rules which ensure the same level of assurance of conformity*."

[2] Under the previous import regime (Regulation (EEC) 2091/92), the majority of products were imported on the basis of import authorisations. This has changed since the Commission recognises control bodies to carry out controls in third countries.

9.2 Approach

The adequacy of the import regime is evaluated on the basis of several judgement criteria, which were deduced from the model of intervention logic (see Chapter 5) and the background of the evaluation question. The following criteria were used for this evaluation question:

(1) **Procedures of the import regime (import authorisation managed by Member States, recognition of equivalent third countries, recognition of control bodies operating in third countries with equivalent rules) are (or are not) adequate to assure conformity of organic products imported from third countries with EU requirements and to ensure a timely delivery of these products**

While within the EU the structures, responsibilities, controls and surveillance are clearly defined, the situation in third countries is more complex. The framework conditions (climate, socio-economic situation, knowledge on organic agriculture, etc.) often differ substantially from the situation within the EU. This is particularly the case in developing countries where a functioning legal structure or access to advisory services is not always given. The import procedures have to reflect these different conditions while at the same time ensuring the same level of assurance of conformity but also a timely delivery of the products at a reasonable cost. To evaluate the adequacy of the import procedures, available publications and documents were reviewed, an import case study was carried out and a web-based stakeholder survey was conducted complemented by semi-structured interviews with European Commission representatives, recognised control bodies and importers.

(2) **The control system is (or is not) effective**

While the first criterion is focussing on the general concept of the import regime, the second criterion deals with the effectiveness of controls, i.e. the concrete output of a specific element of the import regime. Furthermore, this criterion also addresses the question of whether public institutions involved in supervising control bodies are functioning effectively (or not) focussing on the specific challenges related to supervision of operations in third countries. Means for assessing this criterion were scientific literature (e.g. results from EU-funded CERTCOST-project) and other documents from European and private bodies, the results of the import case study and a stakeholder survey which was complemented by semi-structured interviews with European Commission representatives, recognised control bodies and importers. It is worth noting that the difficulties to assess the effectiveness of controls as pointed out in Chapter 8 also apply for controls in third countries.

(3) **Consumers have (or have not) confidence that the import regime assures conformity of organic products imported from third countries regime with organic products produced in the EU**

From a market perspective, it is essential that consumers can trust organic products from third countries as being produced and controlled in an equivalent way as organic products from the EU. If this is not the case, the import regime would not be adequate. In order to assess consumer confidence in products from third countries, the results of the consumer survey from the six study countries were used (see Chapter 10 for details).

9.3 Results

9.3.1 Adequacy of the import procedures

In the following, the results of the adequacy of the import procedures are described. First, information about the general feasibility and problems related to the import procedure focussing on the equivalence approach is presented. Subsequently, findings with regard to the adequacy of the three specific import procedures ensuring equivalence (import authorisation, recognition of third countries, recognition of control bodies operating in third countries) are described.

9.3.1.1 Adequacy of the import procedure in general

Views of stakeholders

The response of stakeholders to the web-based survey indicates that the **rules and procedures of the import regime** are in general perceived as equivalent with the EU requirements and thus meet the same objectives and principles as the regulatory requirements within the EU. Almost half of the surveyed stakeholder agreed totally or largely that the production and processing standards for imported organic products are equivalent to the EU requirements (see Table 9.2). In order to express differences between stakeholder groups, individual ratings were transformed in a seven-point metric ranging from +3 (total agreement) to -3 (total disagreement) with 0 indicating neither agreement nor disagreement. The mean value of the metric was 1.3. On average, equivalence was particularly positively assessed by control bodies (1.7), producers (1.5), processors (1.4), whereas competent authorities (1.2), organic operator organisations (1.1) and governmental authorities (0.7) were more reluctant in their agreement.

Table 9.2: Views of stakeholders regarding the equivalence of organic standards and controls in third countries compared to EU requirements

		Agree			Neither/ nor	Disagree			I don't know
		totally	largely	partly		partly	largely	totally	
The production and processing standards for imported organic products are equivalent to the EU requirements	n	33	64	41	5	28	10	7	16
	%	*16*	*31*	*20*	*2*	*14*	*5*	*3*	*7*
The control system for imported organic products is equivalent to the EU requirements	n	30	50	43	10	29	18	6	18
	%	*15*	*25*	*21*	*5*	*14*	*9*	*3*	*8*
In case of suspected or detected irregularities of imported organic products: the existing procedures are adequate to ensure fair competition and functioning of the EU internal market	n	16	42	32	11	30	24	15	34
	%	*8*	*21*	*16*	*5*	*15*	*12*	*7*	*16*

Question: Please indicate the degree of your personal agreement to each of the following statements.

Source: Own data from web-based stakeholder survey:

As far as the **equivalence of the control system** is concerned, 61 % of the stakeholders agreed that the system is equivalent to EU requirements. The mean value was 1.1 where again the control bodies (1.6) and producers (1.4) had the highest agreement whereas competent authorities (1.0), organic operator organisations (0.7) and governmental authorities (0.5) agreed only partly.

Interestingly, survey participants were much more sceptical whether the **procedures to follow up on suspected or detected irregularities** of imported products are adequate to ensure fair competition and functioning of the internal market. As shown in Table 9.2, only 45 % agreed with that, while 34 % disagree. Producers largely agreed (mean value 1.3) whereas the majority partly agreed (mean value of all stakeholders 0.9). The most critical judgement came from governmental authorities (0.3).

Findings from the review of publications

According to Regulation (EC) 1235/2008 the release of products from third countries for free circulation in the EU requires that products are accompanied by an original certificate of inspection at customs when entering the EU. To be accepted, the certificate of inspection must have been issued by a control body recognised through an import authorisation by a Member States authority (Procedure 1) or by the control authority or control body from a recognised third country (Procedure 2) or by a recognised control authority or control body in the third country (Procedure 3).[3]

[3] See Article 13(2) to (7) and Annex V of Regulation (EC) 1235/2008 for details.

Neuendorff (2007) reported, irrespective of import procedures, that EU-importers perceived the existing model of the **certificate of inspection as a burden**, mainly because administrative procedures implemented by control bodies in third countries are slow and the procedure is paper-based (no electronic database so far). Importers and the first recipient of organic products from third countries need to be defined before the import of the organic products takes place. If there is a change, the certificate must be re-issued by the control body or control authority operating in the third country.

Results of the import case study analysis

According to the results of the interviews carried out in the import case study, import companies as well as control bodies state that the certificate of inspection does not allow the EU import company to **ensure full traceability** of organic products, because only the export company and the latest processor in the third country are mentioned, but not, e.g., the farm(s) where the raw material is produced. For this reason, importers often consider the traceability of organic products in third countries as not fully adequate.

9.3.1.2 Adequacy of the import procedure based on granting import authorisations to importers (Procedure 1)

Findings from the analysis of provisions

The import procedures based on granting authorisations to importers are regulated by transitional rules set out in Article 19 of Regulation (EC) 1235/2008. For issuing an import authorisation a certificate of inspection from a control body is needed. Competent authorities decide whether the control system deems to be equivalent with EU requirements. There are no EU rules on how a control body has to prove its competency and how supervision of a control body has to be guaranteed. National competent authorities (e.g. Germany) usually require an ISO 65 accreditation[4] of control bodies or an equivalent assessment as proof for technical competence, impartiality and professional integrity. Since July 2012, import authorisations are only granted for products that are not certified by a recognised control body or originated from a recognised third country. As the implementing regulation for imports sets out, existing authorisations shall expire on 1 July 2014 at latest and Member States may not grant new authorisations beyond that date.

[4] ISO 65 is an international quality norm for certification bodies operating a product certification system. This standard has been revised recently by ISO/IEC 17065.
See: http://www.iso.org/iso/home/news_index/news_archive/news.htm?refid=Ref1657

Data on requests for import authorisations

As a result of the implementation of the import procedure based on recognised control bodies, one could expect that the number of import authorisations decreased. In fact, data from the Organic Farming Information System (OFIS)[5] shows that the number of issued authorisations dropped from 450 for the period 01.01.2012 to 31.03.2012 to 198 for the same period in 2013. Between 01.01.2013 to 21.06.2013, 442 import authorisations were granted – mainly for cacao, coffee, tea, aquaculture products, bee products, wine and fresh and processed herbs, fruit and vegetables (see Table 9.3). Considering that import authorisations are only requested for imports not covered by the other two import procedures (i.e. Procedure 2 and 3), the number is however still relatively high.

On the basis of the requested import authorisations, four main reasons can be deduced why import authorisations were requested:

- First, because certain products were not covered by the scope of recognised countries. For example, this was the case for imports of wine from Argentina or aquaculture products from China.
- Second, because no control body has been recognised so far to carry out controls and issue certificates of inspections in a certain country. This was the case for imports of spices from Myanmar.
- Third, because the control body carrying out the control was not recognised by the Commission, although other control bodies operating in this country were recognised. This was the main reason for requesting import authorisation in the first half of the year 2013.
- And fourth, the recognition for a third country or control body has been withdrawn and issued certificates were no longer sufficient for exports. This was e.g. the case for India where the recognition for processed agricultural products for use as food was withdrawn in spring 2013, which led to a situation where no control body operating in the country was directly recognised by the Commission and subsequently numerous import authorisations were issued.

A key question in this context is whether the phasing out of the import authorisations will have a negative impact on imports from third countries or not. Possible effects can be deduced on the basis of theoretical considerations. The first reason will probably become less relevant in the future, since the EU implemented rules for wine production in 2012 and it can be expected that control bodies will extend their scope. The might also be valid for aquaculture where the rules came into force in 2010. As far as the second reason is concerned, it can be expected that such products will be certified by recognised control bodies only or similar products will be imported from other countries where recognised control bodies are operating. A similar shift is also likely with regard to the third reason. In all three cases, little negative effects on the supply of products

[5] See http://ec.europa.eu/agriculture/ofis_public/index.cfm; Swiss import authorisations have been excluded.

from third countries can be expected. There are however few specific cases, where the phasing out of the import authorisation could lead to a certain market failure. This could happen, if food specialities are produced in only certain countries, no substitutes exist in other countries and where control bodies have no incentive to request for a recognition to carry out controls (e.g. because it is not economically viable even if a demand for such products exist). Problems could also occur, if recognised control bodies are not able or not willing to expand their activities even if a demand for such products exists. A further case is the withdrawal of the recognition of third countries or control bodies or limitations of scopes granted earlier as in the case of India. Withdrawals bear the risk of trade distortion depending on the trade volume affected.

Table 9.3: Number of import authorisations per product group notified in the period 01.01.-21.06.2013

Products	Examples	Number of import authorisations
Wine	-	39
Bee products	Honey, pollen	28
Aquaculture products and seaweed	Algae products, spirulina, chlorella, shrimps	40
Processed fruit	Dried fruit, pulp, juice	43
Other process products	Soy bean flower	45
Cacao, coffee	-	47
Tea	Green and black tea	51
Other products	Herbs, fresh fruit and vegetables or import authorizations comprising of various products of the categories above	149
Total		**442**

Source: Own calculation based on OFIS.

Findings from the review of publications

Weaknesses in the system used for granting import authorisations were identified by the European Court of Auditors (2012), who stated that it is "*extremely difficult to ensure a harmonized approach by the competent authorities (…) when issuing import authorisations*". They further noted that "*Member States do not actively check whether control bodies charged with issuing the certificates of inspection keep their accreditation up to date and whether the scope of the accreditation provided is pertinent to ensure equivalence with EU standards*". Furthermore only documentary checks are done and none of the Member States carry out on-the-spot inspections. The report finally concluded that the Commission does not have access to sufficient reliable data to be able to assess whether import authorisations granted by Members States satisfy the conditions established by the Regulation.

Concerns about the different interpretation of rules in third countries were mentioned by Coli (2012). She argued (from the control bodies' perspective) that under the procedure based on

import authorisations, control bodies operating in third countries with the same agronomic conditions, took different decisions about conversion period reduction, on derogations for the use of non-organic seeds or on use of non-organic agricultural ingredients. Very often lower requirements were used to achieve a competitive advantage over competing control bodies. The consequence of this was according to Coli (ibid) that "*imported organic products, even if certified by control bodies and authorised by EU Competent Authorities, were not managed in equivalent systems*." From that she concluded that there is a need for more transparency and clear specific instructions for control bodies.

Concerns with regard to unfair competition were also reported by Abay et al. (2011) who carried out a focus group discussion with stakeholders to evaluate the strengths and weaknesses of the import procedure based on recognised control bodies compared to granting import authorisations. Stakeholders stressed particularly the problem that Member States apply different approaches for issuing import authorisations and that it is difficult or very time consuming in some Member States to get an import permit.

9.3.1.2 Adequacy of the import procedure based on recognition of third countries (Procedure 2)

Findings from the analysis of provisions

Regulation (EC) 837/2007 allows the import of organic products from non-EU countries, if the country is included in the Commission's list of third countries, which requires that the national organic legislation in these countries complies with principles and production rules equivalent to the EU rules and that the control measures are of equivalent effectiveness. The procedure for requesting inclusion is defined in Article 8 of Regulation (EC) 1235/2008. Accordingly, the third country has to submit a technical dossier, which includes among others:

- the production standards applied; and
- the control system applied in the third country, including the monitoring and supervisory activities carried out by the competent authorities.

Currently, 11 countries are included in the list of third countries. As shown in Table 9.4, recognition is specified for particular product categories. Unprocessed plant products, processed agricultural food products and vegetative propagating materials and seeds for cultivation may be imported from all third countries included in the list, whereas exceptions exist e.g. with regard to seaweed and wine. Furthermore some third countries are also recognised with regard to live animals or unprocessed animal products as well as processed agricultural feed products. The list further specifies the origin of recognised products. For most third countries the EU recognises only those products that have been produced within the third country but not the ones

imported.[6] Only for Israel, Switzerland and USA imported products are accepted if certain conditions are met.

Table 9.4: List of third countries and relevant specifications

	Unprocessed plant products [a]	Live animals or unprocessed animal products	Aquaculture products and seaweeds	Processed agric. products for use as food [b]	Processed agric. products for use as feed	Vegetative prop. material and seeds for cultivation
Argentina	√	√		√		√
Australia	√			√		√
Canada	√	√		√	√	√
Cost-Rica	√			√		√
India	√					√
Israel	√			√		√
Japan	√			√		√
Switzerland	√	√		√	√	√
Tunesia	√			√		√
United States	√	√		√	√	√
New Zealand	√	√		√		√

a) Seaweed not included apart from Canada and USA.
b) Wine not included apart from USA.

Source: Own aggregation of information provided in Annex I of Regulation (EC) 508/2012 and Regulation (EC) 125/2013 amending Annex III of Regulation (EC) 1235/2008.

Findings from the review of publications

Problems with regard to the import regime based on the recognised third countries were identified in the CERTCOST-project. Abay et al. (2011) reported that some recognised third countries are occasionally exporting certified products which are fraudulent. This problem was also addressed by the European Court of Auditors who concluded in their report that "*the Commission does not have sufficient information to satisfy itself that the control system for organic production in third countries recognised as equivalent continues to fulfil the regulatory requirements as long as they keep this status* (European Court of Auditors, 2012).

A critical note on the third countries list was given by Ball (2012) from the IFOAM EU Group if the recognition is based on a bilateral agreement. He remarked with regard to the bilateral agreement recognising the US National Organic Program and the EU legislation on organic farming as being equivalent that such agreements improve prospects for trade but also bear the risk of market distortions. He illustrated this concern by the following two examples: "*The US NOP list of permitted additives contains several additives such as Tragacanth Gum which are not permitted in the EU regulations. Therefore US processors could make an organic product containing Tragacanth Gum and sell it in the EU but EU manufacturers could not produce and sell*

[6] If, for example, a company in Costa Rica produces chocolate and all the ingredients are originated from Costa Rica, the product would be recognised. On the contrary, if only one ingredient, e.g. milk powder, has been imported, the product would not be in the scope of the third country recognition.

the same product. Similarly the addition of Calcium Carbonate to food as a source of calcium is permitted in the US organic rules, but EU organic regulations only allow it where addition is required by other EU legislation." To maintain trust in the light of such concerns, he stressed that "*the process whereby equivalence is developed must be transparent. Ideally it must be monitored and reported on publically by the Commission and the Member States who conduct equivalence assessments*." The request for more transparency for the assessment of equivalent standards has also been raised by various stakeholders (AFI, 2011; EOCC, 2011).[7] Another problem was mentioned by the Commission who stated that the bilateral equivalence system is arriving at its limits in terms of administrative burden[8] and for resources so a plea was made to move towards multilateral agreements (European Commission, 2012).

The European Court of Auditors identified weaknesses in the management of the list of equivalent third countries caused by the fact that the Commissions resources for treating requests of inclusion in the list of equivalent third countries is inadequate. An example given was that out of 25 applications for inclusion in the list of equivalent third countries received between 2000 and 2011 only 8 could be examined (European Court of Auditors, 2012).

9.3.1.3 Adequacy of the import procedure based on recognition of control bodies (Procedure 3)

Findings from the analysis of provisions

For products not imported from a recognised third country, Article 33(3) of Regulation (EC) 834/2007 lays down that the Commission may recognise control bodies competent to carry out controls and issue certificates of inspection in third countries. For the recognition, control bodies have to submit a technical dossier, which includes among others:

- an overview of the activities of the control body in the third country;
- a description of the production standards and control measures applied in the third countries, including an assessment of the equivalence of these standards; and
- a copy of the assessment report issued by an assessment body[9] confirming performance of the control body and the equivalence of the implemented production standards and control measures.

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[7] The EOCC called for equivalency criteria to be made public to indicate which elements where non-negotiable baselines for equivalency, both for Annex IV and for Annex III. The EOCC also asked for a base line for control body standards. They raised concern on the reliability of the overall system in the absence of clarity on equivalency criteria.

[8] A key challenge for the Commission is to ensure continued equivalence considering the rapid growth of the sector and the dynamics of the legislation.

[9] Assessment bodies are e.g. competent authorities (either of the third country concerned or of a Member State), national accreditation body with competence in organic agriculture or an international supervisory or accreditation body that is specialized in organic agriculture.

Because control bodies cannot refer to the EU Regulation as applied standard but have to submit a standard equivalent, each of these standards is assessed individually by the Commission. Single regional standards equivalent with EU rules are not foreseen in the import rules. Once a control body has been recognised, it needs to undergo regular on-the-spot evaluation, surveillance and multiannual re-assessment of their activities by an assessment body.

According to Annex IV of Regulation (EC) 502/2012, 53 control bodies have been so far recognised to carry out controls and issue certificates of inspection in third countries that are all together operating in 126 non-EU Member States (see also Table 9.5).

Table 9.5: Number of countries where at least one control body is recognised to carry out controls and issue certificates of inspection in third countries differentiated for individual product categories

	Unprocessed plant products [c]	Live animals or unprocessed animal products	Aquaculture products and seaweeds	Processed agric. products for use as food [c]	Processed agric. products for use as feed	Vegetative prop. material and seeds for cultivation
Africa	37	11	1	36	1	2
Asia [a]	30	11	3	31	1	1
Europe	18	10	1	17	1	4
Oceania	9	2	0	8	0	0
North America	1	0	0	1	0	0
South America [b]	23	16	6	22	3	3
Total	**118**	**50**	**11**	**115**	**6**	**10**

[a] Including Middle East.

[b] Including Caribbean and Central America.

[c] Some products are excepted, see Annex IV of Regulation (EC) 502/2012 for details.exceptions apply.

Source: Own aggregation of information provided in Annex II of Regulation (EC) 508/2012 amending Annex IV of Regulation (EC) 1235/2008.

Findings from the review of publications

Very little published evidences were identified about the adequacy of the procedure based on recognised control bodies. This is not a surprise, since this import procedure has been implemented very recently. The new approach is welcomed by several stakeholders mainly because it is expected to create a more level playing field for all actors involved in organic trade (EOCC, 2012, Kalter, 2012). However, some concerns with regard to degree of equivalence and management of the import procedure where expressed before the implementation of the new import regime. Abby et al. (2011) reported e.g. that stakeholders were concerned whether the

new approach would result in a common interpretation of equivalency.[10] A similar concern was also voiced by the European Organic Certifiers Council (EOCC) who criticised in 2012 that it is not yet defined which degree of variation is possible when applying equivalence for certain production rules (EOCC, 2012). Furthermore, Kalter (2012) expected that 50 to 60 recognised control bodies are insufficient to cover all countries involved in providing material for the European market without providing more details why this will be the case and which material are likely not to be covered.

It is worth noting that an International Task Force on Harmonization and Equivalence (ITF) and later on the Global Organic Market Access (GOMA) project, an initiative run by UNCTAD, FAO and IFOAM, have been working on minimizing potential trade distortive effects by mutual recognition/equivalence of organic standards/regulations. Within the project the elaboration of various regional standards was supported. As a result of this project Twarog (2013) recommended that technical standards should not be embedded in their entirety in the legislation itself but kept separate and linked to the regulation/legislation by reference. By doing so, control bodies would have the possibility to apply regional standards and trade barriers could be reduced, which may improve the flow of goods. Not a regional but an international equivalence standard has been developed by Accredited Certification Bodies (2009). The 'Equivalent European Union Organic Production & Processing Standard for Third Countries' combines, rationalises and simplifies Regulation (EC) 834/2009 and the more detailed implementing rules in Regulation (EC) 889/2008 and adapts them for use in third countries. According to Nicolls (2013), representing the International Accredited Certification Bodies (IACB), 14 control bodies approved by the EU are applying this standard though according to current procedures the standard has to be submitted by each control body individually.

It is further worth noting that importers expected that they have to intensify their own quality management system in order to compensate the reduced overview/checks by the Member States competent authorities (under the import authorisation procedure) when certificates are issued by recognised control bodies (Abay et al., 2011).

9.3.2 Effectiveness of the control system for imported organic products

While the previous section was focussing on the general concept applied to assure conformity of organic products imported from third countries with EU requirements, this section deals with the effectiveness of two specific elements of the control system: a) controls in third countries and b)

[10] The questionnaire included a prioritisation of the issues and concerns. 77 stakeholders completed the questionnaire. Most respondents came from Europe with importers, governmental authorities and certification bodies 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.

supervision of control bodies carrying out controls and issuing certificates of inspection in third countries.

9.3.2.1 Effectiveness of controls in general

Findings from the review of publications

Data on residue analyses of organic products from EU and third countries provide a first insight to assess the effectiveness of the control system in third countries. Such an analysis focussing on the organic products sold on the German market has been carried out by the German federal state Baden Württemberg (MLRV, 2011). As shown in Table 9.6, the highest number of irregularities has been found in the period 2002 to 2011 in products from Italy (9.2 % of samples taken), followed by Egypt (9.1 %), Greece (8.9 %) and Argentina (5.6 %). There is no indication that imported products have more often residue findings indicating irregularities. However, the number of samples per country varied and was not representative. Furthermore, it is important to keep in mind that the threshold applied by Baden-Württemberg does not prove that a product is compliant – it just proves that the sample has no residues (irregularities are not only relating to pesticide applications and proper application of pesticides does not necessarily lead to residues in products).

Table 9.6: Identified irregularities in unprocessed organic foods sold on the German market between 2002 and 2011, differentiated by country of origin

Country of origin	Number of samples	Samples with irregularities [a] (%)
Germany	1 115	2.0
Italy	672	9.2
Spain	383	4.2
Israel	133	2.3
The Netherlands	130	3.8
France	92	-
South Africa	59	3.4
Greece	56	8.9
Egypt	44	9.1
Argentina	36	5.6
Morocco	28	3.6
Other [b]	349	4.0
Total	**3 097**	**4.4**

a) Due to deception or exceedance of the Ministry.
b) Other countries and unknown origin.

Source: MLRV (2011).

Information about the effectiveness of controls in third countries is also provided by various publications. Huber (2012) and Neuendorff (2012) for example reported about stakeholder discussions carried under the roof of the Anti-Fraud Initiative[11], an initiative that aims to improve cross border communication among inspection and certification bodies, trade companies, label organisations and authorities to strengthen organic integrity. The discussions among the experts show that fraud prevention does not need a new control system or stricter rules. What is necessary is to improve enforcement of organic regulations. Similar conclusions were also drawn by IFOAM (IFOAM, 2012).

Results of the fraud case analysis

One approach to assess the effectiveness of controls is the analysis of fraud cases. There is no systematic documentation on fraud cases in third countries publicly available, but useful insights can be derived from recent fraud cases in the EU. The two recent fraud cases detected in Italy, 'Gatto con gli stivali' (see Chapter 8 for further details) and 'Green War' (FederBio, 2013), show that detection of fraud cases is facilitated when public structures are cross-linked with those involved in organic controls, i.e. when data transfers between different public bodies and cross-checks are possible. In both cases, there was strong criminal intention to evade tax. Consequently, they have been investigated and made public by the Italian Guardia Finanzia and not by the organic control system.

Results of the import case study analysis

In the import case study, carried out in the framework of this evaluation, three suspicious cases with organic banana, tea and soybeans were analysed. Although all three products were imported based on an import authorisation, the findings of the case study can be applied to the other import procedures as well. The results of the case study do not indicate that the control system in third countries is generally ineffective. However, the suspicious cases illustrate an insufficient implementation of preventive measures and a lack of enforcement of risk-orientated control measures by control bodies operating in third countries. Both lead to an enhanced risk of import of non-compliant products into the EU.

According to the stakeholders interviewed, a limited knowledge of organic farming techniques is a common and high risk. Organic production of banana, tea and coffee in third countries is often based on 'organic farming by neglect' (organic tea) or 'organic farming by replacement of inputs' (organic banana, organic soybean). 'Organic farming by neglect' describes a production system based on the non-use of prohibited inputs, but without implementing supportive techniques, e.g. to improve soil fertility or strengthening plant and animal health to reduce the vulnerability to diseases or other negative effects. Farmers operating 'organic farming by replacement of inputs' do often not understand that organic farming requires more than using approved fertilizers and pesticides, e.g. a change in crop rotation and in soil fertility management. Both approaches are

[11] See www.organic-integrity.org/.

not appropriate for organic farming and increase the risk of using prohibited inputs. The stakeholder interviews revealed that one of the most important preventive actions on farm level is to ensure sufficient training of farmers before they become certified. Such trainings assure that farmers and operators along the subsequent supply chain (processors, exporters) can identify areas where the organic product is at particular risk and implement preventive measures to avoid these risks. However, in many third countries, it is still difficult for farmers to get access to specific organic advisory services or trainings (Neuendorff, 2006).

A number of stakeholders confirmed that the control measures currently implemented are often not fully adequate to address the specific risks for organic integrity. The use of unannounced inspections and quick follow-up inspections in case of suspect and non-compliances, laboratory analysis during the production phase (e.g. leaf analysis, input analysis, dust analysis of storage facilities) is uncommon in many third countries. Detection of the risk of non-compliances in third countries was considered by different stakeholders as being substantially lower than in the EU Member States for all three value chains.

9.3.2.2 Effectiveness of controls of different import procedures

Views of stakeholders

In the web-based survey, stakeholders were asked to assess the effectiveness of the control system for imported organic products. Below the results are shown differentiating between the three import procedures and stakeholder groups.

As shown in Table 9.7, about 58 % of the surveyed *control authorities and control bodies* (50 participants in total) assessed the **import authorisations** as being effective while 20 % perceived it as only slightly or not at all effective (average mean value 1.7). There were some variations among the countries, for Germany, being the country issuing the most import authorisations, the mean value for import authorisations was 2.0 whereas the Mediterranean countries rated in average 1.1 and Central and Eastern European countries 1.7.

More than two-thirds perceived the control system in **recognised third countries** as effective and 10 % only as slightly effective. The mean value for the third country list was 2.0 varying between 1.7 (Central and Eastern European countries) and 2.1 (Mediterranean countries).

Only 40 % assessed the new systems with **recognised control bodies** as being effective, 26 perceived it as only slightly or not at all effective. For the recognition of control bodies the mean value was 2.1 with a rather moderating rating in Germany (1.4) and in the Mediterranean countries (1.6). By contrast, Central and Eastern European countries assessed the effectiveness as extremely effective (2.6). However, this result is based on only six individual ratings and one may to bear in mind that Central and Eastern European countries are importing relatively few organic products from third countries.

Table 9.7: Views of control bodies and authorities regarding the effectiveness of the control system for imported organic products (mean value)

		Effective				Not at all effective	I don't know
		extremely	very	moderately	slightly		
For imports based on import authorisation	n	1	11	17	9	1	11
	%	*2*	*22*	*34*	*18*	*2*	*22*
For imports from countries listed on the third country List	n	4	14	16	5		11
	%	*8*	*28*	*32*	*10*		*22*
For imports certified by regime control bodies recognised for their operations in third countries (new system)	n	6	4	10	12	1	17
	%	*12*	*8*	*20*	*24*	*2*	*34*

Question: How effective is the control system for imported organic products to ensure fair competition and functioning of the EU-internal market?

Source: Own data from web-based stakeholder survey.

Among the surveyed *importers* (14 participants in total), 72 % assessed both the **import authorisations** as well as the **third country list** as effective. About 21 % assessed the system with **recognised control bodies** to be effective regarding controls. The low rate needs to be considered against the background, that this procedure has been implemented recently. Presumably for this reasons, 64 % were not able to give an assessment (see Table 9.8).

Table 9.8: Views of importers regarding the effectiveness of the control system for imported organic products

		Effective				Not at all effective	I don't know
		extremely	very	moderately	slightly		
For imports based on import authorisation	n	1	5	4	2		2
	%	*7*	*36*	*29*	*14*		*14*
For imports from countries listed on the third country List	n		6	4	2		2
	%		*43*	*29*	*14*		*14*
For imports certified by regime control bodies recognised for their operations in third countries (new system)	n		1	2	2		9
	%		*7*	*14*	*14*		*64*

Question: How effective is the control system for imported organic products to ensure fair competition and functioning of the EU-internal market?

Source: Own data from web-based stakeholder survey.

Findings from the review of publications

As far as irregularities are concerned, it is interesting to note that the German competent authority was able to follow up and close 75 out of 100 reported irregularities originating from other EU Member States or **recognised third countries**, whereas for irregularities reported on products imported according to Article 33(3) of Regulation (EC) 834/2007 (**recognised control bodies**) and Article 19 of Regulation (EC) 1235/2008 (**import authorisations**) this was possible only for 25 notifications out of 68 (BLE, 2013). The likely reason is that for countries with competent authorities a contact partner is available and there is usually a better flow of information. Competent authorities in recognised third countries or EU Member States have a direct contact to the control bodies approved by them. Contrary to this, the supervisory bodies responsible for the supervision of control bodies covered by Article 33(3) (control bodies operating equivalent systems in third countries) and Article 19 (import authorisations) are not involved in the system of information exchange for irregularities operated between the Member States, the Commission and the third countries control bodies.

9.3.2.3 Effectiveness of supervision

Findings from the analysis of provisions

As described in Section 9.3.1.2, there are no EU rules on how supervision of a control body is guaranteed under the procedure based on **import authorisations**. In fact, however, the request for import authorisations allowed the competent authorities to get an insight into inspection and certification practices of a control body and to easily intervene (i.e. not issuing an import authorisation) if doubts exist on the equivalence with requirements or on the effectiveness of controls.

Supervision of control bodies from **recognised third countries** is carried out by the national competent authorities. The adequacy of the implemented supervisory system is assessed annually by the Commission on the basis of the annual reports of the recognised third countries which among others describe the monitoring and supervisory activities carried out, the results obtained and corrective measures taken.

Recognised control bodies are supervised by the assessment bodies and the Commission. According to Article 12 of Regulation (EC) 1235/2008, the control body has to send annually a report to the Commission that describe in particular the control activities carried out by the control body or control authority in the third countries in the previous year, the results obtained, the irregularities and infringements observed and the corrective measures taken. Furthermore the annual report has to contain the most recent assessment report or update of such report, which includes the regular on-the-spot evaluation, surveillance and multiannual reassessment.

Although assessment bodies play a key role in supervising recognised control bodies operating in third countries, there is no defined relationship or stream of communication defined in the Regulation between the Commission and the assessment bodies. The import guidelines describe in this respect only the minimum requirements for the surveillance and the assessment reports that are submitted by the control bodies to the Commission. The European Cooperation for Accreditation (EA) has elaborated 'Guidelines on the Accreditation of Organic Production Certification' (European Cooperation for Accreditation, 2013) as encouraged by the EU in the import guidelines.

Findings from the review of publications

The review of literature reveals some general shortcomings of the supervision of control bodies that are not related to a specific import procedure. Neuendorff (2007), for example, reported that control authorities and control bodies see specific risks in the lack of expertise for accreditation of control bodies operating in third countries without referring to a specific import procedure. Furthermore, some actors have further mentioned the varying quality of accreditation of control bodies operating in third countries as a problem, e.g. missing witness audits, missing know-how in organic agriculture and the missing cooperation among control bodies operating in third countries (ibid). Dabbert (2011) recommended based on the results of the CERTCOST-project that there is generally a need to harmonise supervision of the certification system, approval of control bodies, and data collection, as well as specifically to strengthen supervision in third countries. He further suggested a concerted action of accreditation bodies involved, e.g. by drawing up codes of Good Practice as encouraged by the EU Commission to improve this situation.

Concerns with regard to the surveillance of recognised control bodies were addressed in several stakeholder position papers. AFI (2011) and IFOAM (2013) pointed out that it is necessary to strengthen the surveillance of certification since there are no cross checks of single imports by national competent authorities anymore as it is the case for import authorisations. The EOCC (2012) concluded that the main challenges concerning the import procedure based on recognised control bodies lies in the shift of roles and responsibilities towards the Commission. As a result, the EOCC expects a need for additional labour resources at the level of the Commission and assessment bodies. With the end of import authorisations, the role of competent authorities is strongly reduced and with that, an important security lock has to be replaced. IFOAM (2012) and the EOCC (2012) suggested that this could be facilitated by making it mandatory for control bodies to disclose the equivalency standards, e.g. on their websites.

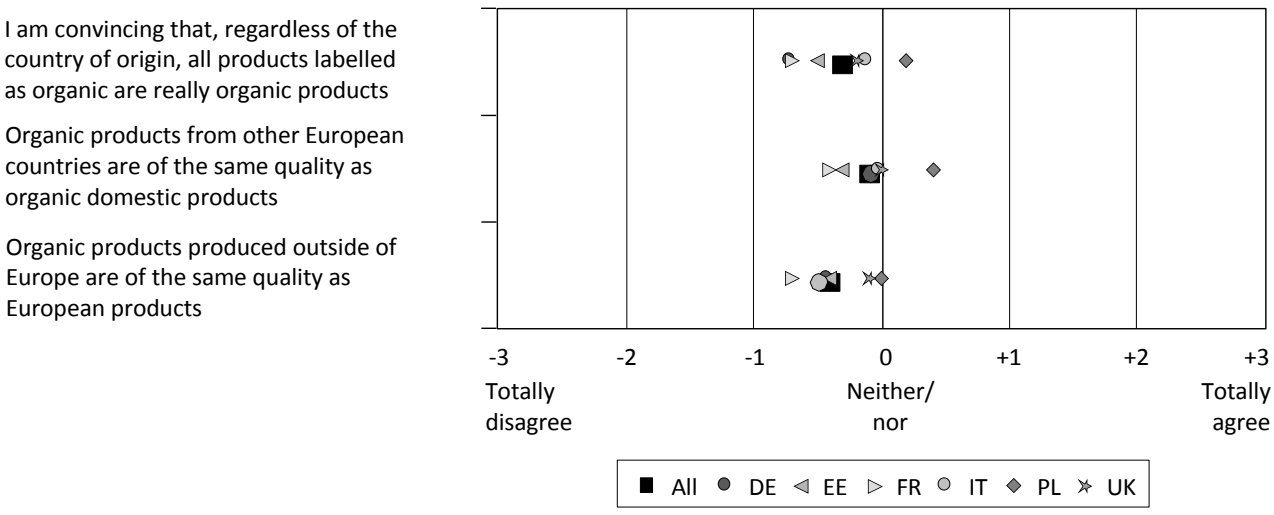
9.3.3 Consumer confidence in imported organic products

Results of the consumer survey

The results of the consumer survey show that the origin of organic products is an important aspect for many (but not for all) consumers. Almost every second participant of the consumer survey considers the origin when buying organic products and 60 % welcome the fact that the new EU organic logo differentiates between 'EU agriculture' and 'Non-EU agriculture'. Consumers' knowledge of organic farming in third countries and the import requirements seems however to be limited. For example, 14 % of the respondents assumed that organic products could legally not be imported from overseas and 27 % were not sure about it.

The consumer survey reveals further that 25 % of the test persons think that organic products produced outside Europe are of the same quality as EU organic products, while 37 % disagree with this statement (mean value -0.4, see Figure 9.1). Comparing the quality of domestic organic products with organic products from other EU-countries, ratings are slightly but not substantially different: 31 % agree and 31 % disagree with the corresponding statement (mean value -0.1). This result is also reflected in the responses to the question whether participants are convinced that regardless of the country of origin, all products labelled as organic are really organic. Only 31 % have this opinion, while 50 % are sceptical and disagree (mean value -0.3). However, this scepticism refers to foreign organic products from within the EU as well as from third countries.

Figure 9.1: Views of consumers regarding trust in organic products coming from other countries (Mean agreement with statements)



Source: Own data from consumer survey.

9.4 Judgement and conclusions

Based on the results presented in the section above, **it is concluded that the import regime is largely adequate in terms of achieving the global objectives of the Regulation but with shortcomings in implementation**, taking the following into account:

- Procedures of the import regime are generally adequate to assure conformity of organic products imported from third countries. However some shortcomings were identified with regard to the working resources required to assess the equivalence at the Commission and varying interpretation of equivalency by the control bodies. Furthermore, importers complain that procedures for issuing certificates of inspection implemented by some third country control bodies are slow, compounded by the fact that they are paper-based;
- Control systems implemented in some third countries displayed shortcomings in particular as regards the application of specific preventive measures (e.g. training for operators) and risk-orientated controls. There are also concerns about the supervision of control bodies operating in third countries, in particular whether supervision is sufficient. Furthermore, stakeholders have indicated that procedures to follow up on irregularities are not always satisfactory; and
- Consumers have some reservations towards organic products not produced in their country. This attitude does however not differ substantially between organic products from other EU-countries and organic products from third countries.

Detailed considerations

In the last two decades, organic supply and distribution chains have become increasingly globally organised and a large number of products sold on the EU market are imported. For farmers and consumers in the EU, it is important that organic products from third countries are produced according to equal requirements and that the control systems ensure the same level of assurance of conformity as within the EU. Furthermore, it is relevant that administrative procedures allow for timely delivery of the products at a reasonable cost. The evaluation question examines to what extent the import rules have been adequate to ensure an effective functioning of the internal market, fair competition (considering the application of the equivalence principle) and confidence of consumers.

The evaluation is based on relevant publications and documents, the findings of an import case study, the results from two web-based surveys targeting stakeholders and consumers and complementary interviews with stakeholders.

Adequacy of the import regime with regard to the assessment of the equivalence

A key element of the import rules is the assessment of the equivalence of production and control rules in third countries, whilst at the same time recognising that production conditions in countries outside the EU can be different from those within the EU. The Regulation provides for three different mechanisms for this purpose. Firstly, equivalency is recognised by the inclusion of

a country in the third country list (i.e. the national legislation of the country in question is formally recognised as being equivalent to that of the EU). Secondly, EU control bodies can be authorised by the European Commission to carry out controls in third countries. This latter approach has been in force since July 2012 and replaces the authorisation of individual imports by Member State authorities at the request of an importer located in the EU. This third option was the most relevant procedure under the previous organic regulation and is due to be phased out in July 2014.

The response of stakeholders to the web-based survey indicates that the rules and procedures of the import regime are in general perceived as equivalent with the EU requirements. The analysis of the individual import procedure however reveals some specific shortcomings.

The import procedure based on recognised third countries seems to lead to adequate assessments of the equivalence. The stakeholder critique regarding this import procedure is limited and concerns a lack of transparency in assessing equivalency in bilateral negotiations and occasional problems related to fraudulent products imported from recognised third countries.

In contrast, a number of shortcomings were identified with respect to the import procedure based on import authorisations. The review of literature shows that there are several concerns with regard to varying interpretation of equivalency and different approaches for issuing import authorisations which is mainly due to the fact that the recognition of equivalence is carried out by different competent authorities of the Member States. Problems with varying interpretation of the equivalency were reported with respect to the interpretation of exceptional rules (e.g. use of non-organic seeds or non-organic ingredients) and conversion rules (recognition of conversion period prior application for certification). Consequently, the rules do not sufficiently prevent that control bodies operating in third countries aim to achieve an advantage against competitors by granting more flexibility for exceptions (e.g. less strict interpretation of conditions for separating organic and conventional farm units or less strict interpretation of conversion period) and that Member States authorities assess such conditions as being equivalent. As long as all Member States are involved in assessing the equivalence, a harmonised assessment of the equivalence is rather difficult, as the European Court of Auditors (2012) argued. Since the procedure is not fully adequate to ensure equivalent production and control conditions and therewith to ensure a fair competition and the protection of consumer interests, it is concluded in this respect that phasing out the possibility to grant import authorisations is adequate.

In Council Regulation (EC) 834/2007, the shortcomings associated with the import authorisation have been addressed by introducing the new import procedure based on recognised control bodies. This approach allows a harmonisation of the equivalent assessment by providing a common and stricter framework and shifting responsibilities from the 27 Member States to the Commission. The review of literature shows that stakeholders generally acknowledge the attempt to harmonise the assessment of equivalence but also see a need for more transparency and clear specific instructions for control bodies. Some concerns were raised by individuals (before the implementation of the new system) whether the recognition of control bodies results

in a common interpretation of equivalence. However, this general concern was not based on real experiences of the new system. In view of the recent implementation of this approach a firm judgment of its adequacy is not yet possible.

Adequacy of the import regime to ensure a smooth, continuous and timely delivery of product at reasonable costs

A second key issue with regards to the import procedures is the question of whether they are able to ensure smooth, continuous and timely delivery of imported products at a reasonable cost. The analysis has shown that some shortcomings exist regarding the administration of the import regime itself and certain procedures implemented to issue certificates of inspection and different custom procedures in Member States.

Regarding the administration of the list of recognised third countries, the Court of Auditors (2012) critically noted that there is a significant backlog in assessing applications for equivalence caused by limited resources at the Commission. The high administrative effort needed to recognise the equivalence can be seen as one reason why only 11 countries have been recognised so far. The problem of administration is however not only limited to the recognition itself but refers also to follow-up assessments of the equivalency when national legislation are changed.

Limited working capacities seems also to be a challenge for the recognition of (and on-going supervision of recognised) control bodies operating in third countries. Since control bodies cannot refer to the EU Regulation but have to submit a standard equivalent to EU rules within their application for recognition, every standard has to be assessed individually and requires working capacities. Furthermore, one may expect that even more working capacities are needed at the Commission if Member States may no longer grant import authorisations and therefore the number of requests for recognition from control bodies are likely to increase.

Another relevant question with regard to ensuring the smooth, continuous and timely delivery of products is whether the new import system based on recognised control bodies is able to cover all imports that have been administered or are still being administered by import authorisations. An analysis of OFIS data on import authorisations showed that the number of import authorisations dropped drastically when the procedure for recognised control bodies became operational. Yet, during the first three months of 2013, still 198 import authorisations were issued by Member States which account for 44 % of the respective period in 2012 when the procedure of recognised control bodies was not yet functional. A more detailed analysis of import authorisations reveals that the phasing out of import authorisations will not likely have immediate negative impacts on import flows. Instead it is more likely to assume that without import authorisations additional control bodies will request recognition or already recognised control bodies will expand their activities. Market disturbances are only likely in very specific cases (e.g., the withdrawal of the recognition of third countries). A key question will be whether the market mechanisms will properly function. Since it is difficult to fully anticipate the reactions

of the market in response to the phasing out of the import authorisations, it seems to be useful to monitor the supply and to take adequate actions if market failures are observed.

A third issue with regard to ensuring smooth, continuous and timely delivery of product refers to the procedures implemented to issue certificates of inspection, which needs to accompany a product along its transport from the exporting country to the destination in Europe. One study reported about complaints from importers that administrative procedures implemented by third countries control bodies are slow and the paper-based procedure further slows down the process. It is obvious that electronic procedures would allow a faster and less burdensome procedure for international trade. However in view of the limited information identified in the framework of this evaluation, a sound judgement is not possible.

Effectiveness of the control system

The control system in third countries has to ensure that production and processing of organic food complies or equally complies with the EU rules. The data and information presented in Section 9.3 provides no indication that the control system in third countries is, in general, less effective than the control system in the EU. However, this also implies that some of the shortcomings of the EU control system, as discussed in Chapter 8, are also true for controls in third countries (e.g. deficits in the exchange of information between different authorities as identified in the fraud case analysis).

The specific requirements of an effective control system in third countries are illustrated by the results of the import case study. Accordingly, preventive measures (such as training for organic operators aiming to empower them to identify specific risks), risk-based inspections or residue sampling are an important means to address the specific risk for the organic integrity in third countries, but which are still not very common. These findings are in line with discussions carried out under the roof of the Anti-Fraud Initiative, which pointed out that fraud prevention does not need stricter rules but a better enforcement of existing measures.

The stakeholder survey addressed differences with regard to the effectiveness in the three import procedures. Although the number of respondents was rather low, the results provide at least some indications. Accordingly, stakeholders do not perceive substantial differences with regard to the effectiveness of controls in recognised third countries and in countries that use import authorisation to place their products on the EU market. Most stakeholders assess the control systems as very or moderately effective. Control systems in third countries are slightly more positively assessed, which might be due to the fact that recognised third countries have a functioning legal structure for surveillance of organic production and awareness of organic agriculture is expected to be much higher than in countries with only a few organic operators. Such structures as well as the available know-how on organic agriculture and organic certification are likely to reduce the risk of irregularities. Only few participants were of the opinion that the control system based on recognised control bodies is effective. This result is certainly influenced by the fact that the assessment was rather based on assumptions than on real experiences, since the survey was carried out six months after the implementation of this import procedure.

The effectiveness of the control system is also determined by the supervision of control bodies. Findings from the analysis of provisions show that the EU Regulation does not set specific rules for the supervision of control bodies operating under the import regime based on recognised third countries and import authorisations. However, the inclusion in the third country list requires that third countries carry out adequate monitoring and supervision activities. Under the regime of import authorisations, control bodies are implicitly supervised by Member States authorities since they get an insight into the inspection and certification practises of control bodies and may not issue an authorisation. The review of publications shows that less formalised supervision systems may have a negative impact on the effectiveness of controls in third countries. This problem has been addressed by the Commission with the recognition of control bodies and clear supervision guidelines for assessment bodies as well as by encouraging assessment bodies introducing specific requirements for the accreditation of control bodies operating in third countries (European co-operation for Accreditation, 2013).

Some of the stakeholders however remain sceptical, whether the supervision system for the import procedure based on recognised control bodies is robust enough. As the review of literature reveals, stakeholders raised concerns whether supervisory bodies have sufficient working capacities to carry out their duties and responsibilities. However, more experiences gained over a longer period would be needed to come to a sound judgment, whether the supervision has been sufficiently strengthened by the recent activities.

Furthermore, the findings from the analysis of provisions reveal that neither the Regulation nor the import guidelines foresee a direct link between the Commission and the assessment bodies. The reporting is only done from the control body to the Commission and it is the control body which has to submit the assessment report of the assessment body to the Commission. There is an exchange between the Commission and the assessment bodies but this exchange is not formally defined. Subsequently assessment bodies are not necessarily involved in the management of irregularities, for example, if a control body does not react promptly to a suspect case. Even severe problems, for example suspension or withdrawal of accreditation has according to the legal provisions to be communicated by the control body to the Commission.

The stakeholder survey revealed furthermore concerns about the procedures to follow up on suspected or detected irregularities of imported products. This assessment is supported by the statistics of the German BLE for 2012, where 75 % of the reported irregularities originating in the EU or in recognised third countries could be followed up and closed, while for the other import procedures (based on recognised control bodies and import authorisations) only 37 % could be followed up and closed.

Consumer confidence

According to the results of the consumer survey, consumers trust more domestic organic products than organic products from other countries. Interestingly, no substantial differences regarding trust in organic products from other EU-countries and non-EU-countries seem to exist. The results of the survey need to be interpreted with caution, since scepticism towards imported

organic product could also be a result of the limited knowledge of consumers about the control system in foreign countries and import requirements. Thus, no robust evidence was identified to assume that the import regime as such is not adequate to ensure consumer confidence.