

# Y Pwyllgor Amgylchedd a Chynaliadwyedd Environment and Sustainability Committee

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## Environment and Sustainability

I am writing to you to draw your attention to work the undertaken by the Environment and Sustainability Committee on the European Commission's proposals on organic production and labelling. I wish to highlight some initial findings based on evidence from a range stakeholders in Wales.

The Committee wholeheartedly supports the European Commission's aims of increasing consumer confidence, reducing bureaucracy and supporting the expansion of the organic sector across the EU. However, we have grave concerns about the practical implications of the regulation as currently drafted. We are concerned that the proposals could discourage farmers in Wales from entering into organics or lead to existing organic farmers leaving the sector.

We have identified four key areas of concern in our initial work which we believe require changes to the text of the draft regulation:

- The impacts of a ban on mixed-farming, given the current number of farms where both organic and non-organic production takes place;
- The impacts of preventing organic farmers from using conventional seed and non-organic breeding stock after 2021;
- The unintended consequences of some of the proposed animal welfare standards such as dehorning and tail docking; and

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- The proposals on decertification due to the presence of non-organic residues which we believe is counter to the 'polluter-pays' principle.

In addition we have some concerns about the removal of the retail exemption, the details of the proposals on risk-based inspections and the regional feed requirements. Further information on these issues and more detailed information on our key areas of concern are contained in the attached paper.

We would very much welcome your support in promoting these points with your colleagues in the European Parliament including rapporteurs and shadow rapporteurs.

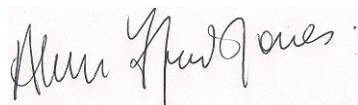
Evidence was gathered from farming organisations, organic certifiers and leading academic centres who specialise in this area of policy. Further information and copies of evidence papers submitted are available on line at:

<http://www.senedd.assembly.wales/mgConsultationDisplay.aspx?ID=141>

On a final note, the Committee and its stakeholders are disappointed that some of the most important details of this proposal have been left to delegated and implementing Acts. This has made the task of assessing their full impact difficult. We have written to Commissioner Hogan about this issue and our concerns about the quality of the impact assessment.

We will continue to monitor progress of this dossier including crucial discussions within the European Parliament. We look forward to engaging further with you on these issues and we hope the information provided in this letter is of use to you.

Yours sincerely



**Alun Ffred Jones AM**  
**Chair of the Environment and Sustainability Committee**

## Organic Production and Labelling: Key Findings of the National Assembly for Wales Environment and Sustainability Committee

### Mixed Farms

1. There is **grave concern amongst stakeholders in Wales about the impact of the proposals to require 100% of a holding to be organic**. Figures produced on the sector in the UK indicate that 25% of organic farms have a mixture of both conventional and organic units on them. Stakeholders are concerned that requiring the whole holding to be organic could discourage new entrants and lead to some existing organic farmers returning to conventional farming. This is because conventional units can provide an important source of income for farmers during the conversion process.
2. We understand the Commission's desire to reduce non-compliance and increase consumer confidence but evidence provided to us suggests that the proposal could inadvertently reduce transparency. On mixed farms, certification bodies in the UK are currently able to inspect both the organic and non-organic units to ensure that processes on the farm minimise contamination. If farms are artificially split so that both types of farming can continue to take place certification bodies will no longer have access to the non-organic unit to ensure best practices are followed.

**We would welcome amendment of the proposal to ensure that, where properly inspected and certified, farms can continue to operate both organic and non-organic units.**

### Organic Seed and Breeding Stock

3. We fully support the European Commission's aim of increasing the amount of organic seed and breeding stock available on the market. However, we believe that the **removal of these derogations by 2021 does not reflect the practical realities of production at a farm level**. Stakeholders in Wales were unanimous in their view that the timeframe as currently proposed in the regulations is insufficient.

**We would welcome amendment of the proposal to ensure these important exemptions continue where no reasonable organic alternative exists.**

## Retailers Exemption

4. **We are concerned about the proposal to require retailers to be subject to certification.** In Wales, a number of smaller retailers may only stock one or two organic lines and therefore might stop selling these lines if faced with the costs of inspection. The UK Organic Trade Board estimates that organic sales through smaller retailers account for £10 million each week. The loss of these sales could have significant impacts on organic farmers and growers.

**We would support an amendment of the proposals to ensure that this exemption is not removed for small and medium retailers.**

## Animal Welfare

5. We agree with the European Commission that high standards of animal welfare are important but we are concerned that the proposals as currently drafted are inconsistent and could unintentionally prohibit practices beneficial to animal welfare. For example the removal of horns from cattle and the tail docking of sheep. The level and density of livestock production in Wales means that dehorning is vital to ensure that cattle are unable to cause damage to each other or to those handling them. Cattle handling systems on farms in Wales and across other parts of the EU will have been designed for cattle where dehorning or disbudding in humane ways is permitted. Removing farms ability to do this over a short-time frame could have significant financial impacts for organic farmers. We do not believe that these impacts have been sufficiently assessed within the Impact Assessment.

**We strongly believe that even if such rules were to be introduced in future this would require a proper impact assessment, clear transitional rules and strong supporting measures through the Action Plan and CAP.**

## De-certification

6. We strongly support the right for consumers purchasing organic products to have complete confidence in them. We are **concerned however, that the proposal to set a threshold level for non-organic residues is over-simplistic and goes against the EU's 'polluter-pays' principle.** At present if non-organic residues are found within products an inspection is carried out to determine the source of contamination before a producer is penalised.
7. There are many instances where cross-contamination may have occurred through no fault of the producer. The proposal that these producers are automatically decertified would go against the 'polluter pays' principle. Stakeholders in Wales have told us that **this could potentially lead to some of our most experienced organic producers being decertified for actions outside their control.** We note that that Member States would be able to provide financial compensation to these farmers but that would not prevent the loss of experienced producers from the industry. While some further enhancement to inspection procedures to ensure consistency across the EU may be required we believe the current proposals are not proportionate.

**We would strongly support amendment of the proposals to remove this provision from the draft regulations.**

## Inspections

8. We have heard conflicting opinions on the European Commission's proposal to move towards a risk-based approach to inspection and certification. Farming organisations told us that producers welcomed annual inspections as a means of increasing consumer confidence and as an opportunity to get advice from the certification bodies. Other experts told us that they were not opposed to the proposal in principle but needed much greater detail from the European Commission on how this would work in practice. **We are concerned that not**

enough detail has been provided by the European Commission to stakeholders on how a risk-based approach to inspection would work.

**We would welcome any action by the European Parliament to clarify the details of this element of the proposals.**

## **Regional Feed**

9. The principle of organic farms sourcing feed for livestock from their own holding or close sources is well understood and accepted by the Welsh organics sector. Given our climatic, soil and geographical conditions it is not possible however for Welsh organic farms to produce or source all of their feed from within Wales or even the UK. We therefore have concerns about the proposal to require a higher percentage of feed to be sourced from within the 'region' associated with a farm. This is mainly because no clarity is provided in the proposal about how the European Commission intends to define the term 'region'.

**We would welcome any action by the European Parliament to clarify the details of this element of the proposal.**