

Letter from

Doris Bures, President of the Nationalrat of the Republic of Austria

To:

Mr Jean-Claude Juncker, President of the European Commission

Dated:

5 December 2014

Ref.:

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At its meeting on 4 December 2014, the Permanent Sub-Committee on European Union Matters of the Nationalrat's Main Committee adopted, in the course of its discussions concerning EU document

14760/14 LIMITE

Proposal for a Regulation of the European Parliament and of the Council on organic production and labelling of organic products, amending Regulation (EU) No XXX/XXX of the European Parliament and of the Council [Official controls Regulation] and repealing Council Regulation (EC) No 834/2007 - Presidency compromise text

the attached **Communication pursuant to Article 23f(4) of the Austrian Federal Constitution.**

I have the honour to forward it to you.

[complimentary close]

[signed]

COMMUNICATION

**of 4 December 2014 to the European Commission, the Council and the European
Parliament**

**pursuant to Article 23f(4) of the Federal Constitution from the Permanent Sub-
Committee on European Union Matters of the Nationalrat's Main Committee**

14760/14 LIMITE

Proposal for a Regulation of the European Parliament and of the Council on organic production and labelling of organic products, amending Regulation (EU) No XXX/XXX of the European Parliament and of the Council [Official controls Regulation] and repealing Council Regulation (EC) No 834/2007 - Presidency compromise text

Organic farming and the consumption of organic products have experienced a significant upsurge in the EU in recent years. According to the European Commission, the area of land devoted to organic farming increased by 38% between 2006 and 2011. The market for organic products grew by as much as 56%. Existing labelling and control procedures have often been unable to keep pace with this dynamic growth. They are preventing small agricultural businesses in particular from gaining a foothold on the market in organic products. Strong economic growth has also led to an increase in fraudulent activities in this area.

On 25 March 2014, the Commission of the European Union therefore presented a proposal for a Regulation of the European Parliament and of the Council on organic production and labelling of organic products, amending Regulation (EU) No XXX/XXX of the European Parliament and of the Council [Official controls Regulation] and repealing Council Regulation (EC) No 834/2007.

According to the Commission, this proposal is designed to improve the existing rules governing organic production by helping to:

- remove obstacles to the sustainable development of organic production in the European Union,
- guarantee fair competition for farmers and operators and allow the internal market to function more efficiently,
- improve quality standards, and
- maintain or improve consumer confidence in organic products.

Accounting for 20% of overall agriculture in the country, Austrian organic farming is a leader at EU level. Austrian consumers are the EU's second largest investors in organic products (up to €150 *per capita*). For environmental and economic reasons, and out of a concern for consumer protection, Austria therefore has considerable interest in organic farming being able to expand on a sustainable basis while maintaining a high level of quality and in the existing labelling and control rules for organic production and products being improved.

Consequently, the Austrian Nationalrat in principle welcomes Commission initiatives aimed at adapting and supplementing European rules in the light of developments. However, a complete revision of the European organic farming Regulation is not deemed necessary and might even be detrimental with regard to the desired further development of organic farming. Indeed, the Commission's draft does contain a number of proposals that are either unnecessary, inappropriate or disproportionate. It cannot therefore be approved in its current form.

The undersigned deputies therefore wish to submit the following

**Request for a communication to the European Commission, the Council and the
European Parliament pursuant to Article 23f(4) of the Federal Constitution**

- The legal framework must promote and not hinder the desired further development of organic farming. Red tape and the administrative burden should not be increased but rather reduced. The basic principle of process orientation must therefore be maintained.

- Production rules and controls must remain a single entity. Special control requirements within organic farming must also continue to be included in the EU organic farming Regulation and should not be transferred to the horizontal control regulation.
- In the case of exceptional production rules, sufficient discretion must, for reasons of flexibility, be left to national authorities. This is necessary in order to be able to react appropriately to the very heterogeneous geographical and structural conditions that exist EU wide in the event of supply shortages and catastrophic circumstances without jeopardising organic production.
- The mandatory EU organic logo should be designed in such a way as to make it possible to distinguish products of EU and non-EU origin at a glance. This should be achieved in particular by means of colour coding (e.g. the use of the green logo solely for EU organic products).
- The tried and tested two-stage control procedure involving control bodies and supervisory authorities must in principle be maintained. At the same time, greater focussing on risk areas (although maintaining annual on-the-spot checks), appropriate sanctions and an improvement to cross-border communication are necessary.
- Article 20 of the proposal for a Regulation, which deals with the presence of inadmissible products and substances, should be deleted in its current form. It would give rise to considerable disadvantages for Austrian agriculture, characterised as it is by small-scale farms, because the large number of adjacent holdings means that contamination and thus the detection of unauthorised products or substances cannot be excluded either completely or to a specified degree.
- The proposal should additionally provide for a transitional period for existing and recognised organic farms in order to ensure that they have legal and planning security for the period of the ÖPUL programme, which will already be operational in 2017, up to 2020.
- The existing arrangements in Articles 28 and 29 of Commission Regulation (EC) No 889/2008, which lays down rules for the implementation of Council Regulation (EC) No 834/2007 (including as regards authorisation by Member States), should be retained. The possibility of issuing a fixed-period authorisation to permit the use of ‘non-organic

ingredients' in processed foodstuffs by individual Member States must remain in cases in which individual organically-produced ingredients are temporarily unavailable in a particular Member State.

The use of conventional seeds should also continue to be permitted in the event of the unavailability of special regional varieties of organic seeds necessary for marketing purposes.

- The proposed revision does not provide for any exemption from the control requirement for businesses supplying, for example, packaged organic products to the final consumer. This would mean, however, that it would become unprofitable for small grocers and businesses to stock organic products, and the range of products available would therefore be significantly reduced. Article 27 of the existing Regulation (EC) No 834/2007 should be retained in full.
- For reasons of transparency, the number of delegated legal acts should be reduced to what is strictly necessary. Moreover, the aim, substance and scope of the transfers of powers, which should also be limited to the absolute minimum, must be set out explicitly and unambiguously.

In general terms, the proposal in its current version is not compatible with the principles of subsidiarity and proportionality. It would have to be amended as outlined above in order to bring the eventual legal act into line with the provisions of the Treaties.