## **EUROPEAN COMMISSION**



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## Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the 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 {COM(2014) 180 final}.

The Commission welcomes the fact that the Senato della Repubblica agrees that the proposal complies with the principles of subsidiarity and of proportionality.

The Commission has taken note of the suggestion of the Senato della Repubblica to examine the priority areas of the Action Plan for the future of Organic Production in the European Union {COM (2014) 179 final} and to act where, as a result, internal demand would be boosted and exports would be promoted. This is in line with the objectives that the Commission has set in relation to the actions intended to accompany the organics review.

The Commission has taken note of the Senato della Repubblica's remark according to which there are too many delegated acts without sufficient criteria for their adoption. The delegated and implementing acts in the proposal were introduced by the Commission following the application of the Treaty of Lisbon and should ensure a dynamic legislation that can be rapidly adapted following the needs of the organic sector. Nevertheless, the Commission can ensure the Senato della Repubblica that the Commission is ready to consider further specific criteria as regards the delegation of power through delegated acts.

The Commission shares the opinion of the Senato della Repubblica that stresses the need to take into account the specificities of organic farming in Italy and the Mediterranean area. It wishes to point out that this is why the proposal provides in its Article 4 (g) (same text as in the existing legislation) that one of the principles of organic production is "adaptation, where necessary, and within the framework of this Regulation, of the production process, taking account of the sanitary status, regional differences in

Mr Pietro GRASSO President of the Senato della Repubblica Piazza Madama, 1 IT – 00186 ROMA ecological balance, climate and local conditions, stages of development and specific husbandry practices."

On mass catering, following a survey carried out with the Member States' authorities in charge of organic production, most of them were of the opinion that mass catering operations should not be subject to EU Regulation on organic production in the short term, not only because of possible increased complexity, but also because of the limited impact on trade due to their local character. On this basis, the Commission concluded that there was currently no need to include mass catering operations in the Regulation but that developments in this sector would be followed closely.

The Commission has taken note of the risk identified in respect of a reduction in the presence of organic products in the distribution network and in traditional retail, in the light of the specificities of the sector in Italy. The possibility for the Member States to exempt certain categories of retailers, under given conditions, is not retained in the Commission's proposal, which aims at providing a clear legal framework in which all operators dealing with organic products are covered by the control system. Several sources have shown different interpretations across the EU of the conditions for the exemption. The external evaluation of EU legislation on organic farming looked at the adequacy and justification of this exemption, identified different categories of risk for processing operations in the retail sector and concluded, based on experience/data available, that the exemption is only justified if the conditions for granting it are periodically verified, as it has been proposed. The Commission does not propose a mandatory annual inspection of all operators: for a more effective and efficient use of resources, the control frequency is proposed to be based on the evaluation of the risk of non-compliance that each operator presents. Low risk activities in the retail sector may therefore be subject to a reduced control frequency.

In answer to the detailed remarks of the Senato della Repubblica, the Commission wishes to make the following comments.

With regard to the use of recycled waste and by products of plant and animal origin, Article 10 and part I to Annex II of the proposal provide more details on such use as well as foresee the possibility of specifying more details by delegated and implementing acts.

Concerning Article 7 'General production rules', the Commission would be open to examine specific features of small and medium-sized enterprises at the implementation stage.

As regards Article 8, the definition of land left fallow can lead to several interpretations that need to be clarified in the context of the proposal.

With regard to Article 17, the Commission takes note of the remarks of the Senato della Repubblica on the need for greater flexibility so as to give the Member States greater discretion for determining when catastrophic situations occur. This issue will certainly be raised during the inter-institutional debate.

In relation to Chapter V, the Commission takes note of the Senato della Repubblica's suggestions on the minimum measures to be identified as regards the inspections to be carried out, as well as on the definition of a broader concept of group of operators.

As for the provisions on trade with third countries, the Council of Ministers has recently adopted negotiation directives for the negotiation of trade agreement between the EU and third countries, based on the equivalence regime. The Commission proposes to apply the compliance regime to goods imported from third countries for which no agreement or arrangement has been signed.

As regards hydroponic production, the proposal in Part I to Annex II, proposes to continue the prohibition of this method. Other details, like the use of other type of growing outside the soil, are not included in the proposal.

The Commission shares with the Senato della Repubblica the interest of preserving genetic resources, and to this end has been supporting the conservation and use of genetic resources since 1994 through a specific Community programme. The interest of the Union in preserving genetic resources is also shown in the possibility of support granted by the rural development policy through the agri-environment-climate measure. Member States or regions may choose to include such a possibility according to their priorities. As regards the proposed new legislation on plant reproductive material, the Commission would like to underline that this proposal contains elements of flexibility which are favourable to traditional varieties, niche markets and agro-biodiversity.

Finally, on the issue of taking action against the parties responsible for contamination, the Commission relies on the rules related to the coexistence between different types of agriculture (and food processing), as those rules could provide practical and targeted answer to those concerns. The Action Plan for the future of Organic Production in the European Union highlights the challenge for producers to ensure coexistence between organic and non-organic agriculture and recommends devoting further attention to this topic in the short term when developing research and innovation projects.

The points made above are based on the initial proposal presented by the Commission which is currently in the legislative process involving both the European Parliament and the Council at which your government is represented.

The Commission hopes that these clarifications address the concerns and questions raised by the Senato della Repubblica and looks forward to pursuing our political dialogue in the future.

Yours faithfully,

Karel De Gucht Member of the Commission