

Archived at Orgprints.org/20466

No. 107 - Winter 2011

Simply, there has been no-one like him in the history of organic agriculture and few, if any, who have given and achieved more.

Setting the direction for ORC

Following a chance meeting in 1979, David Astor, Christopher Bielenberg, Alice Astor and I visited Hardy in Switzerland and saw the wide ranging R&D programme, the advisory service and the training courses that had been established at FIBL under his directorship and the influence this was having on Swiss agricultural policy.

We were inspired and resolved to establish an educational and research charity in the UK to do the same things. Fortunately, Hardy agreed to become one of the founding trustees and has remained an active and key part of Elm Farm/ORC from then until now.

His contribution over the years has been immense, but his impact in the first few years was critically important because he led the way in establishing the organisation's predominant and enduring characteristics. Firstly, his understanding of the true concept of holistic, biological

agriculture shaped our whole approach. Secondly, he was the key to establishing our credibility with the UK agricultural research and policy establishment through playing a prominent role in the meetings and workshops we held. Thirdly, his knowledge and can-do character were an inspiration to the UK organic farmers and growers who were working to re-establish the organic movement and through him Elm Farm (as we were then called) began to be viewed as a leading player. And fourthly, by promoting us within the international organic movement, we were quickly able to tap into a range of contacts, experience and knowledge that would have taken years to develop alone.

This is not an obituary. Hardy is and will continue to be very active; he is currently vice-President and will shortly become President of Germany's conservation NGO platform; he is continuing to lecture, adding to the vast number of students he has inspired to make a career in the organic world; he will continue to work for the genuine organic cause and against the GM genie and the other hobgoblins of industrial agriculture; and he will remain part of the ORC family. We wish him well.

Lifting the lid on organic certification

CERTCOST, a European research project on the system of certification of organic food ran from 2008 until November 2011 with the aim of providing recommendations to improve the efficiency, transparency, and cost effectiveness of organic food certification systems in Europe. ORC became a project partner in 2009 when **Susanne Padel** joined us from Aberystwyth University. In this article she reviews some of the findings relating to certification and non compliance.

With the growth of the organic sector and the spread of organic production across the EU, the field of organic certification has become a maze of competing labels and logos, involving different private and public standards in addition to European regulation. Organic businesses are also subject to a range of other schemes involving third party certification including mandatory and voluntary assurance schemes and legislation for geographical indications and typical products.

Baseline information on EU organic certification

Organic certification in Europe is organised in three different systems: private control bodies overseen by a competent authority (as in the UK); public control bodies (as in Denmark); or a combination of both (as in the Czech Republic). It is estimated that organic certification in the EU employs at least 1500 staff, with a total turnover of ca. €70-110 million, equivalent to about 0.5% of the retail sales value. Different ways to quote and calculate fees makes it difficult to compare prices across borders but the median inspection fee paid by farmers is €500/farm with UK farmers paying €647/farm and Danish farmers nothing as all costs are met by the state. Further information on this can be found on the database www.organicrules.org, which was developed as part of the project.

Variation in time spent for control is generally larger within than between countries. The average control duration varied for farms between 2.5 hours in Germany, about 3 hours in CH and CZ, and more than 4.5 hours in the UK, a difference that is partly explained by farm size.

Non compliances in the EU

The primary purpose of certification is to verify compliance with the EU organic regulation and where applicable private standards. How effective certification actually is in detecting and deterring non-compliance across the EU has been an open question. Certcost is the first ever attempt to look at certification data in order to analyse the risk of non-compliance and the probability of detecting a non-compliance with a set of risk factors, or variables known about the operator.

The main source of data is anonymised control body information from five countries over three years (2006 - 2009). The main challenge for this analysis was the fact that control bodies keep data about their operators for the purpose of client management and for some statistical reporting, but not for analysis of risk factors in relation to non-compliance. In most cases, we therefore analysed data on sanctions in 4-17 different categories depending on severity and used these data as proxy for non-compliance.

There is no common guideline at EU level as to what constitutes a minor, major or critical non-compliance or what levels of sanctions should be used and only the sample UK control body kept data on non-compliances in these three different categories. We therefore reclassified sanctions into weak and strong sanctions. An example of a weak sanction would be a warning issued when an operator did not update information following a change in operation; a strong non-compliance could be if synthetic nitrogen was deliberately used.



The share of farms receiving severe and extremely strong sanctions is at a similar low level in all countries analysed and ranges from 0 to 4% of the farms controlled. However, the share of farms receiving weak sanctions (or in the case the UK control body studied, minor non-compliances) varied considerably between the control bodies (see Table 1). It is likely that this is a reflection of the different ways in which the control systems function rather than different levels of regulatory breaches. The most important conclusion we are able to draw is the need for harmonisation in reporting procedures across the EU before any meaningful assessment of non-compliance can be made.

Table 1: Share of farms with weak and strong sanctions (non-compliances in the UK) per year in control body data from different countries

Control	Year	Farms	Fa	rms		Total
body/		with with		ith	number of	
authority		weak	str	strong f		arms in
in:		sanction	is sand	tions		sample
Switzer- land	2007	1.6	%	4.1%	4,661	
	2008	1.2	%	3.2%	4,508	
	2009	1.8	%	2.6%		4,388
Czech Republic	2007	0.8	%	0%	700	
	2008	1.6	%	0%	740	
	2009	10.5	%	0.8%		877
Germany	2007	48.9	%	2.2%		1,584
	2008	47.4	%	1.7%		1,686
	2009	37.0	%	0.7%		2,145
Denmark	2007	6.0	%	0.8%		2,589
	2008	6.6% 1.2%		2,654		
	2009	2.0	2.0% 0.6%		2,505	
Italy	2007	8.1	%	1.1%		9,398
	2008	6.1	%	2.1%		9,351
	2009	5.0	%	1.9%		10,732
		Non-compliances				Total
United Kingdom		minor	major	major critica		farms
	2007	34.7%	0.9%	0.9	% 1,820	
	2008	39.4%	7.8%	0.7	%	2,151
	2009	36.8%	9.0%	2.2	%	2,155

Analysing the risk of non-compliance with economic models

In total 46 hypotheses about factors increasing the risk of non-compliances were tested using different econometric models. These related to general risk, structure and management of the farmer, specific crops or livestock species and control related issues.

Few factors were found to be relevant for all countries: past behaviour, farm size and in most countries bovine livestock were significant. The strongest factor was past behaviour. Operators who are not compliant tend to stay so and those that commit minor irregularities are more likely to be found to have also committed major ones.

The presence of certain livestock species increases risk, in particular bovines (although these are present on many farms) and pigs entail higher risk. There was no overall risk pattern for crop types, but there did appear to be specific risk factors in a particular case. Non-organic land on the farm was a risk factor in Germany and Italy.

However, in the countries with a higher share of farms with minor non compliances/sanctions (DK, UK and CH) there might be a lower discrimination effect of explanatory variables. Other variables could be important to explain risk, such as personal characteristics or financial records, but we have very limited data on these. More detailed reports and publications analysing the risk factors will be developed over the coming months.

©CERTCOST

The project has looked at a number of different areas including consumer recognition and has conducted a comprehensive economic analysis of the variety of existing certification systems and their impact on the internal market for organic goods in seven countries (CZ, DK, DE, IT, CH, TR, and UK). The project partners are currently finalising recommendations from the research for different groups of stakeholders, who have been involved in several international workshops and at other events. A small workshop was held with UK control bodies and representation from Defra on 17th October 2011. Further reports from the project will be covered in future Bulletins. The project has an excellent website www.certcost.org where reports, papers and summaries can be accessed.

Disclaimer: This article was generated as part of the CERTCOST Project with financial support from the European Community under the 7th Framework Programme. The publication reflects the views of the author and not those of the European Community, who is not to be held liable for any use that may be made of the information contained.

2011/12 Organic Farm Management Handbook still available

The essential business resource for organic farmers and growers, containing market, regulation and policy updates, financial data for a wide range of crop and livestock enterprises, grant scheme details and much more. For updates and corrections, see Handbook page at: www.organicresearchcentre.com.



2011 Organic Farm Management Handbook Normal price £20 incl. UK p&p (overseas £22). Discounts apply to bulk and trade purchases.

To order, contact: Gillian Woodward, gillian.w@organic researchcentre.com 01488 658298