DOSSIER

International Federation of
Organic Agriculture Movements EU Group

The New EU Regulation for Organic Food and Farming:

(EC) No 834/2007

BACKGROUND, ASSESSMENT, INTERPRETATION

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The third scenario with step-wise limitations of SO_2 use was developed further (see table). It was agreed to consider at the moment ONLY main wine categories (red and white wines with less than 5g/l of residual sugar and red, white and rosé wines with more than 5g/l of residual sugar) while "special wines" are proposed to be regulated in a later stage and/or at member state level.

There was no opposition to accepting enrichment in organic wine-making as long as it is implemented with organic ingredients. There is a potential problem: in the areas where sugar addition is allowed it can be easily done using organic sugar, but in areas where sugar is not allowed, organic rectified must (already available) should be considered but it is not allowed by the Commission because of the use of ion exchange resins.

Table: Different scenarios for reduction of SO_2 in mg/l		20% reduction	30% reduction	40% reduction	50% reduction
	Actual CMO	**Scenario 3.1**	**Scenario 3.2**	**Scenario 3.3**	**Scenario 3.4**
Red < 5mg/l sugar	160	128	112	96	80
White < 5mg/l sugar	210	168	147	126	105
Red > 5mg/l sugar	210	168	147	126	105
White and rosé > 5mg/l sugar	260	208	182	156	130

An ORWINE survey of organic wines entered for national and international competitions found SO_2 levels were 20-30 percent lower in almost all of them. Similar results came from the producers' survey as well as from the analysis of actual private standards and from the recent web survey. Despite national and regional differences, a step-wise decrease of SO2 use for the main wine categories starting from 20 or even 30 percent in the following years seems reasonable and acceptable by a large majority of producers (with some producers favouring even up to 50%). It should be followed by a close monitoring of wine quality with a possible derogation to be required by member states in case of adverse weather conditions.

Enrichment

The CMO states that in cases of adverse climatic conditions, alcohol content may be increased by the use of sugar, concentrated must, rectified concentrated must and self-enrichment by reverse osmosis. The ingredient/tool for enrichment and its level (expressed in percentage by volume) is different in the three wine areas (3% in zone A; 2% in zone B; 1.5% in zone C).

Concerning organic wine-making two issues should be considered:

- whether to allow, forbid or limit enrichment
- where enrichment is allowed, with which ingredients/tools it should be allowed

Next steps

In the coming months the final decisions on the ORWINE recommendation will be fine-tuned taking into account the final scientific results and the outcome of the on-line survey. The project was presented to the Standing Committee on Organic Farming in December 2008. The EU Commission plans to work on the implementing rules for wine processing in early 2009 in order to adopt them by the end of 2009.

All information about the project contents, deliverables, publications and partnership composition can be downloaded from www.orwine.org

Food service and catering in Europe and future perspectives for European regulation

[Carola Strassner]

In the past decade we have witnessed an organic boom in Europe and elsewhere. At the same time the foodservice market has steadily grown in these countries and its percentage of the consumer's food Euro is forecast to increase further over the next few years.

Both markets have meanwhile discovered each other and foodservice is becoming a recognised channel for organic produce. So much so that today there are not only significant volumes of organic produce entering this diverse sector but also a number of interesting developments taking place, such as school meals and public procurement. Concomitant with the boom (in some countries) of organic sales, consumers have contributed by demanding organic produce not just in their retail purchases but also slowly and steadily in their foodservice purchases.

Before discussing the revised organic regulation, which took effect from January 1st 2009, a quick reminder of the depth and breadth of this market: The Out Of Home market is notoriously difficult to define and especially to quantify. This is evident alone by the variety of terminology used: Out Of Home, Foodservice, HoReCa – Hotels, Restaurants, Catering are all over-arching terms used somewhat interchangeably to cover the sale of food and/or beverages for immediate consumption, on or off the premises. Vending may or may not be included. This sector covers both the public sector such as education, welfare and military, and the private sector such as catering companies, chains, leisure, travel – both voluntary purchases such as take-aways and coffee shops, and involuntary "captive" purchases such as day care centres and schools, as well as subsidised (usually work-place locations, and institutions such as hospitals and care homes) and non-subsidised conditions.

Impact of the new regulation on foodservice

With the new regulation (EC) No 834/2007, for the first time explicit mention is made of catering. In this respect it is significantly different from Council Regulation (EC) No 2092/91 and its amendments in that it specifically excludes "mass catering operations" in Article 1 § 3. Member States may apply national rules or, in the absence thereof, private standards, on labelling and control of products originating from mass catering operations, insofar as the said rules comply with Community Law. Article 2 § (aa) defines "mass catering operations" to mean "the preparation of organic products in restaurants, hospitals, canteens and other similar food business at the point of sale or delivery to the final consumer". There is no further mention made of mass catering in the implementing rules (EC) No 889/2008.

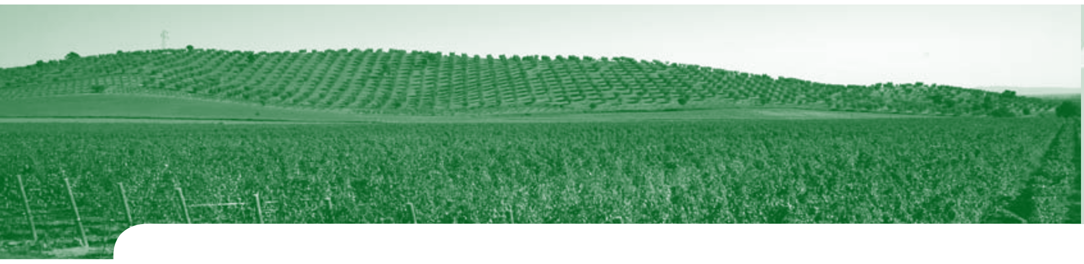
On the one hand the situation with respect to catering is now apparently clearer than it was in the repealed Council Regulation 2092/91, insofar as the new regulation clearly excludes mass catering and legally allows all members to choose their individual approach. In the past there has been some discussion among member states and various stakeholders as to whether 2092/91 covers catering or not (i.e. the UK's Defra enquiry to the EC; Germany's use of legal expertise on the Council regulation 2092/91 with respect to catering). On the other hand, for the practitioner the situation at ground level has not changed. It remains a question of how the member states decide to proceed. In theory and a couple of years hence we may have at least 27 versions of how to deal with organic catering, not counting any private regulations.

Should member states choose not to apply national rules or private standards to this field, some other private body could devise its own rules and labels for "organic mass catering" that do not concur with the spirit of the old or the new regulation. Could we in theory see an organic coffee shop label that means something entirely different to the agreed Community definitions?

The new EU regulation allows caterers to be treated differently to any of the groups identified so far, for example processors. This is a chance to take into account the special conditions found in parts of the foodservice sector such as very fast ingredient turnover, daily changing menus, supply bottlenecks for seasonal produce and lack of recipe use. It is also an excellent opportunity for differentiation in statistical data, so that in future data on organic might be collected more easily.

At least no negative impact on sales channel development is to be expected as a direct consequence of the new regulation. The inclusion of aquaculture in agriculture (Article 1 § 2) and the forthcoming Community production rules will be welcome progress especially for this market.

In Article 27 § 3 a new risk-based approach to controls is laid out: "the nature and frequency of the controls shall be determined on the basis of an as-



sessment of the risk of occurrence of irregularities and infringements as regards compliance with the requirements laid down in this Regulation". While there is not much more detail about this in the implementing rules, it might provide later solutions for issues such as control of the individual local restaurant outlet versus the international restaurant chain.

Further ramifications from changes in the revised organic regulation will depend on the approach of the Community Members. They may include especially labelling issues such as the compulsory use of the pending new Community organic production logo, the new code-number format, indication of origin and also asterisk labelling, most of which will come into effect after various transition periods. The regulation does guarantee the option of continued use of private or national logos.

The status quo in selected Member States

At the present time there is quite a variety of ways of dealing with organic foodservice amongst the 27 Community Members. These include national law, national recommendations and private standards.

Germany is the first Member State to adopt a standard organic certification programme for the out of home sector at the national level and to anchor this in its laws. The instrument of the Organic Farming Act (Öko-Landbaugesetz – ÖLG), which pools specific executive functions in organic farming in Germany, whilst increasing the effective implementation of the EU Regulation, is used to provide the rules for organic foodservice. The underlying principles of consumer protection concerning fraud and deception, equal market opportunities and transparency from farm to fork and beyond, contributed to the development of such a programme for foodservice enterprises with guidelines for operators. Due to Germany's federal structure, 16 supervisory authorities within the "Länder" (federal states) are responsible for 23 approved inspection bodies currently operating in the market. The private inspection bodies control and monitor compliance with the Organic Regulation. Under certain conditions, menu items may be labelled with the German state eco-label known as the "Bio-Siegel". There are also private concepts, rules and labels for foodservice such as those of the Organic Agriculture Associations – Bioland and Biokreis.

In the past, control bodies in Austria had developed rules for the foodservice sector which had a variety of operators, including restaurants, hospitals, homes and catering companies, under inspection. For the last few years, Austria has also been working on a set of binding standards at national level, finalised in June 2008, and valid from July 2009. This set of rules is included in Chapter A8 of its Lebensmittelbuch (Codex Alimentarius Austriacus), as are all other national organic provisions.

The Danish Food Authority has recently developed a proposal to allow restaurants and caterers to market themselves as bronze, silver or gold organic, where each level signals a certain proportion of the purchased raw materials to be organic. For bronze, 20-40% of the raw materials should be organic, for silver, 50-95%, and gold where more than 95% of the raw materials are organic. The Danish experience to date has found that the food processing rules as applied to processors did not work very well for restaurants, especially regarding the documentary requirements.

Possibly thanks to Nordic networking, many of the Scandinavian or Nordic countries have concepts for organic foodservice. In Finland, professional kitchens serving organic meals or portions or claiming that meal ingredients are organic, are obliged to register with Evira, the Finnish Food Safety Authority. However, if the kitchen informs about the use of organic ingredients but does not present literal claims about organic meals, it is not included in Evira's register for organic businesses. This "information gap" is filled by the semi-official introductory scheme for organic food called 'Steps to Organic', organised by EkoCentria, a promotional body funded by the Ministry of Agriculture and Forestry through the Finnish Food Information Service (Finfood).

The Norwegian Food Safety Authority, Mattilsynet, has delegated the certification of production, processing and distribution of organic food to the private organisation Debio. Foodservice operators wishing to market organic ingredients and/or processed foods need to be certified by Debio. This includes institutions, schools, hotels, restaurants, cafés and cafeterias, catering services, fast-food joints etc.

According to the Soil Association in the UK, restaurants and other caterers do not have to be certified in the same way as organic production and processing organisations. This organisation for organic food and farming has its own standards for restaurants, bars and cafes. Three types of certification are offered by Soil Association Certification Ltd: (1) 100% organic restaurant, (2) organic dish, (3) organic menu item. In recent times the Soil Association has devoted itself especially to the issue of (organic) school meals, supported by the so-called “Jamie Oliver effect”.

Considered the unequivocal leader in Europe with respect to organic school meals, Italy does not appear to be focusing on the verification of organic quality in public catering at the moment. The recent national and regional laws about catering systems, promotion, quality and organic foods are more of a patchwork of general rules and principles, generally without a sanction system.

Some of the oldest private standards for foodservice in Europe are those of KRAV, a private sector certification body in Sweden, which has certified restaurants since 1996 and has hundreds of operators in its programme, including all types of industrial kitchens, restaurants and cafes. Smaller production units such as sheltered housing and preschools are also included.

While not a member of the EC, Switzerland should be mentioned, as, along with Sweden, its organisation Bio Suisse has one of the oldest systems of standards for organic foodservice in Europe. There are two models: (1) Bud Component or Menu (Knospe-Komponenten-Küche), (2) a Bud Operation (Knospe-Küche). Many of the later versions took account of the Swiss experiences.

In the Czech Republic, the organic sector and certification agencies are working on rules for restaurants. Both the Netherlands and Belgium are giving the matter their attention while other member states such as France and Luxembourg are keeping ears and eyes open too. Generally, the developments Europe-wide are quite dynamic.

Outlook on further development

Two foodservice market developments seem to be especially relevant here. Firstly, whole, natural and fresh food, including organic and ethical, is a major trend in retail and is forecast to reach foodservice with a massive impact. Estimations say between a quarter and a third of consumers in the EU and USA will regularly purchase natural and fresh food per week. Considering these various terms and their products, it seems necessary to try to find an acceptable solution for organic foodservice regulations soon, so that the integrity of organic production and produce does not suffer. Secondly, there used to be a fairly clear distinction between foodservice and retail food purchase. In the last few years this has become more diverse as the retail sector is increasingly offering Fresh Prepared Foods (e.g. heat-and-serve and ready-to-eat). Also, artisan bakeries and/or butcheries, as well as specialist shops (wine shops etc.), are offering meal solutions. It’s a moot point whether, from a consumer perspective, there is a difference between buying a ready-to-eat salad in a retail outlet and buying one from a take-away franchise outlet for lunchtime consumption. This implies that it may prove rather difficult to define when the Organic Regulation applies and when not, and that possibly the solution lies in the process itself.

One of the central precepts of Community rules is that they should provide a harmonised concept, in this case, of organic production and processing. Since all member states can proceed as they deem fit, there may be a residual danger of an unchecked proliferation of organic foodservice concepts. However, this needs to be seen against the window of opportunity afforded to all stakeholders. A good working concept needs a good functioning market; if there are not enough suitable foodservice-conform products available, then stipulating certain rules to operators will not work. Furthermore, many involved in organic foodservice have been networking across countries over the past years and continue to exchange information on developments using platforms such as the BioFach Congress in Nuremberg each February. Such

networks are already setting the groundwork for any potential long-term harmonisation endeavours.

Two research projects deserve mention as they are analysing certain aspects pertinent to organic foodservice. One of these is the CORE-Organic project called iPOPY (innovative Public Organic food Procurement for Youth). The aim is to study how increased consumption of organic food may be achieved by the implementation of relevant strategies and instruments linked to food serving outlets for young people in some European countries. Supply chain management, procedures for certification of serving outlets, stakeholders' perceptions and participation, as well as the potential of organic food in relation to health and obesity risks will be examined. A first analysis has highlighted the organisational and in part cultural variance amongst the participating countries with respect to their management of organic certification and its application to foodservice operations. The other is the FP7 project *CertCost,* whose main objective is to generate research- based knowledge on how to improve the organic food certification system in terms of efficiency, transparency and cost effectiveness. The findings of both projects will no doubt have high relevance to further developments of organic foodservice rules in Europe.