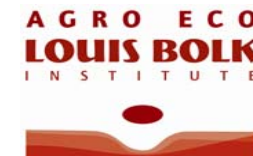


# Welcome at Workshop of The Anti Fraud Initiative

>Supported by



# How to prevent fraud?

## > Anti Fraud Initiative

- > Rumours at BioFach 2007
- > May 07: Meetings in Bonn (BLE and CB's)
- > AFI I: FiBL in Frick October 07
- > AFI II: Hamburg November 08
- > AFI III: Bologna September 09
- > AFI IV: Brussels December 09



# AFI I, Frick, Switzerland



[www.fibl.org](http://www.fibl.org)

# Organic Integrity

- > **Non-compliance with the organic principles and standards**
  - > **Fraud (deliberate act which leads to a pecuniary advantage)**
    - > Use of prohibited substances
    - > Commingling and labeling of conventional products as organic
  - > **Unintended irregularity, e.g.**
    - > Not knowing the requirements
    - > Unintended commingling

# What is needed?

- > **Inspection and certification system is sufficiently regulated**
- > **Enforcement needs to be improved**
  - > **Implementation of requirements**
  - > **Supervision to provide equal playing field**
- > **Increase of effectiveness of inspection**
  - > **Inspection tools**
  - > **Risk orientation**
- > **Improvement of communication, transparency**
  - > **Trade – certification bodies - authorities**

# Effective Inspection and Certification

- > Exchange of information (e.g. suspicion or detection of fraud, switching CB's)
- > Risk oriented inspection schemes (type (announced/unannounced) and frequency of inspections)
- > Cross-checks for verification of the product flow
- > Input-output calculations for risk products
- > Risk orientated residue testing by certification bodies
- > Electronic publication of certified operators as well as de-certified and suspended operations, e. g. [www.bioc.info](http://www.bioc.info)

# Effective Surveillance

- > **Equal playing field for CB's by assessing also effectiveness of control, e.g.**
  - > **Analysis activities, e.g. crosschecks of product flow, Input-output calculations**
  - > **Communication among CB's**
  - > **Competency of personnel**
  - > **Publication of certified operators**
- > **Risk orientation in surveillance**
- > **Organic Rapid Alert System**
- > **Guidelines for notification and following up suspicion of fraud**
- > **Qualification of auditors**
- > **EU country reports on implementation**

# Quality Insurance by the operator

- > **Obligation for a quality control system**
- > **Verification that suppliers know and implement the requirements of organic trade.**
- > **Selection of the CB (cheaper CBs are not always the best)**
- > **Organization in trade associations**



# International Complaints Mechanism

- > **One reference point to notify complaints**
  - > Irregularities, failure of CB, suspicion, fraud...
- > **Thorough investigation/follow up**
- > **Necessary are:**
  - > **Broad acceptance of the reference point**
  - > **Integrity**
  - > **Expertise (could be delegated)**
  - > **Sufficient financial capacities**
  - > **by or in close cooperation with authorities**

# Conclusions and Follow up

- > **Code of Conduct Certifiers**
- > **Code of Conduct Traders**
- > **No more rules, but**
  - > **Enforcement**
    - > **Focus on implementatin instead of documentation**
    - > **Transparency (e.g. flexibility rule, equivalency assessments)**
  - > **Increase of effectiveness**
    - > **Provide incentives for detecting fraud**
  - > **Risk orientation**
    - > **Not the 95 % compliant operators but the 5 % irregularities need to be targeted**



# AFI II in Hamburg, Germany



www.fibl.org

# Results

- > Traders: The principles of the Code of Good Organic Practice is agreed upon
- > Certifiers: the Code of Conduct is agreed upon. The issue of arbitration is still open.
- > Authorities: Concentrate on actions to be taken for implementation of rules by CB's.
- > Risk assessment Toolbox, checklist for risk indicators
- > Merging of information in the different databases e.g. BioC website as a starting point.

# AFI III, Bologna, Italy



[www.fibl.org](http://www.fibl.org)

# Conclusions

- > **First national meeting**
- > **Need more of this meetings**

# Operators

- > **Improve the in-house QMS**
- > **Obligation of notification of residue findings and complaints to CB**

# Conclusions Certification bodies

- > **Need a simple effective certification system (no unnecessary bureaucratic burden)**
- > **Improved system and follow-up of notification**
- > **Public database of certified, suspended, decertified operators**
- > **Cross-checks to verify product volumes sold and purchased**
- > **Inspection/sampling plan based on risks**

# Conclusions Competent authorities

- **Better harmonisation of the system**
- **Effective follow-up of CB investigations in case of notifications**
- **Be much faster**





# AFI - publicity and confidentiality

- > **Responsible handling of information gathered in the workshops**
- > **No names, no details outside**
- > **Press release, articles and reports**
- > **Website [anti-fraud-initiative.org](http://anti-fraud-initiative.org)**

# AFI Cooperation

- > **inspiring cooperations in sector groups**
- > **Inspiring cooperation between sector groups – trade – certifiers – supervisory bodies**
- > **Inspiring/influencing regulations and implementation**
  - **Mutual understanding**
  - **Communication**
  - **Action**

# AFI IV Brussels

- > **Follow up on previous workshops**
  - > **Code of conducts**
  - > **Italy**
  - > **Organic Food Authentication Workshop**
- > **Residue analysis, role of authorities, Sherlock Program**
- > **Workshop**
- > **Continuation of AFI**