



Fighting fraud In organics



Fight against fraud in organics important

- Changing narrative on organics under VDL II Commission: 1 x sustainability vs 3 x sustainability
- But EU still wants to promote organic production, organics at the heart of a sustainable agriculture and food system
 - Strategic dialogue on the future of EU agriculture (9/24)
 - Vision for agriculture and food (2/25)
- Target of 25% of EU agricultural land under organic farming by 2030 still valid, sustainable growth of the sector
- Requires demand for organic products, consumer trust, continued recognition of and trust in logo, fighting non-compliances and fraud
- Action Plan for the Development of Organic Production still valid (2026, follow-up?)
- Including actions on fraud

Action Plan – Preventing food fraud and strengthening consumer trust



Action 5: Strengthen the fight against fraudulent practices:

- Robust supervision of control systems in Member States and third countries
 - Fraud prevention policies, and cooperation with the EU Food Fraud Network and Europol and with competent authorities and law enforcement bodies in third countries
 - Guidance on reinforced imports control at the border
 - Stronger measures to tackle fraudulent practices through the sanctions catalogues
 - Measures to inform consumers and/or to recall from the market products where fraud is identified
 - Early warning systems, using artificial intelligence for data mining in EU and Member State databases
- 



Action Plan – Improving traceability

Action 6: Improve traceability:

- Develop a database of certificates of all EU operators, and later also relevant third country operators, building on earlier work
- Promote the enrolment of competent authorities and ensure that control bodies sign certificates of inspection in TRACES digitally
- Coordinate regular traceability exercises on organic products in cooperation with Member States, their control bodies and third countries

Action 7: Improve traceability:

- Assess to what extent the traceability of organic products could benefit from blockchain or other digital technologies and envisage pilot projects



Fraud in organics

- Increasingly complex international cases observed
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USDA orders west African organic soy inspections

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Fraud in organics

- Many risk factors:
 - No obvious visual difference organic/conventional (process-related, not product-related, requirements)
 - Rapid development sector (market, retail sales, consumer spending, imports, operators, farmland)
 - Increasingly long, increasingly complex, rapidly shifting supply chains
 - Rapid consumption
 - Financial incentives to cheat (price premium, subsidies)
 - Change in legislation
 - Complex legislation
 - Producer groups, retroactive recognition
 - Conflicts of interest in control system



Fight against fraud

- Over past few years, architecture put in place:
 - More, and more intense, structural relations/partnerships:
 - MS CAs (letters, WG on NCs)
 - 3C CAs/CBs (letters)
 - COM (OLAF (anti-fraud), SANTE (agri-food fraud network), TAXUD (customs authorities))
 - Europol, EPPO
 - International partners (regular mtgs on the fight against fraud in organics)
 - More fully developed robust codified procedures
 - Additional resources (human resources; OFIS db templates; TRACES operators db; TRACES COI db; AI)

1. Starting point information

- From the Organic Farming Information System (OFIS) DB - Member State notifications (MS-to-MS, MS-to-3C) of suspicions of non-compliance with the organic legislation
 - Systematic (all), checklist-based screening
 - Screening at opening (notification) stage
 - Screening at closing (accepted reply) stage
 - (from RASFF; ensuring all RASFF are in OFIS and vv)
- From analysis of information provided to the Commission:
 - Outside the scope of OFIS by competent authorities, control authorities, control bodies
 - By private sector whistleblowers

2. Mapping exercise and assessment

- Linking starting point information to prior OFIS notifications, other available information such as from the TRACES DB (Certificates of Inspection), to establish patterns: same countries, products, control bodies, operators,...
 - Manually
 - Exploring the use of IA
- Weekly review of cases, decision on follow-up

3. Follow-up after ad hoc assessment

- Ex-post (investigation and post-investigation follow-up):
 - When EU funds involved (e.g. Common Agricultural Policy support for organic farming, EU development funding focused on specific supply chains)
 - =>Transfer to Commission anti-fraud body OLAF
 - =>Examples: EU operator, 3C supply chains
 - When no EU funds involved or after OLAF non-involvement, depending on nature case
 - =>Transfer to EU agri-food fraud network (EU, systemic-multiple Member States)
 - =>Follow-up with Member State competent authority (single MS issue)
 - =>Follow-up with third country control authority or control body

* Discussion in MS WG on on-compliances, in international forum on the fight against fraud in organics (eg West African soy)

3. Follow-up after ad hoc assessment

- Ex-ante:
 - Impose pre-export third country sampling as a result of post-investigation follow-up
 - Warning of Member States via 4-month OFIS alerts (to inform national risk assessments: risky country-product combinations)
 - Communicating names of suspicious operators to DG TAXUD/Member State customs authorities
 - Annual additional controls in third countries and at the EU border according to minimum percentages

Key issue

- Moving from treating fraud as a stand-alone ex-post issue to treating it as a systemic ex ante issue; insufficient use of available intelligence to inform risk assessment and to close the control loop
 - MS have imperfect risks assessment, which weakens controls; often rely exclusively on COM guidance (additional controls list); do not take account of COM alert letters on individual operators; do not crunch own OFIS data; need to close the feedback loop: treat OFIS notifications not as stand-alone issues to be addressed but treat them as systemic: notifications=>analyse in terms of countries, products, operators, non-authorized products and substances=>feed related info into risk assessment=>exercise stronger control where needed
 - CBs as well have imperfect risk assessments; 3C ones heavily decentralized, lack HQ strategic overview of risks; which supply chains (in which countries) are risky; need to map this crunching own OFIS information on a rolling basis; need to exercise stronger control where needed

Upcoming

- Legislation on high-risk products replacing voluntary additional control system
 - DA amending Regulation 2021/1698
 - IA establishing list of high-risk products and sampling percentages
- Report on Article 29 to Council and Parliament
 - Reply strictly on issues in that article: are investigations carried out on time, do they establish source and cause, are investigations concluded as soon as possible, are goods blocked during the investigation, are products downgraded where required etc.
- IT developments (templates, AI)



Thank you



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