



# European Approaches to Improve the Organic Control System and Prevent Fraud

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# FiBL Switzerland at a glance



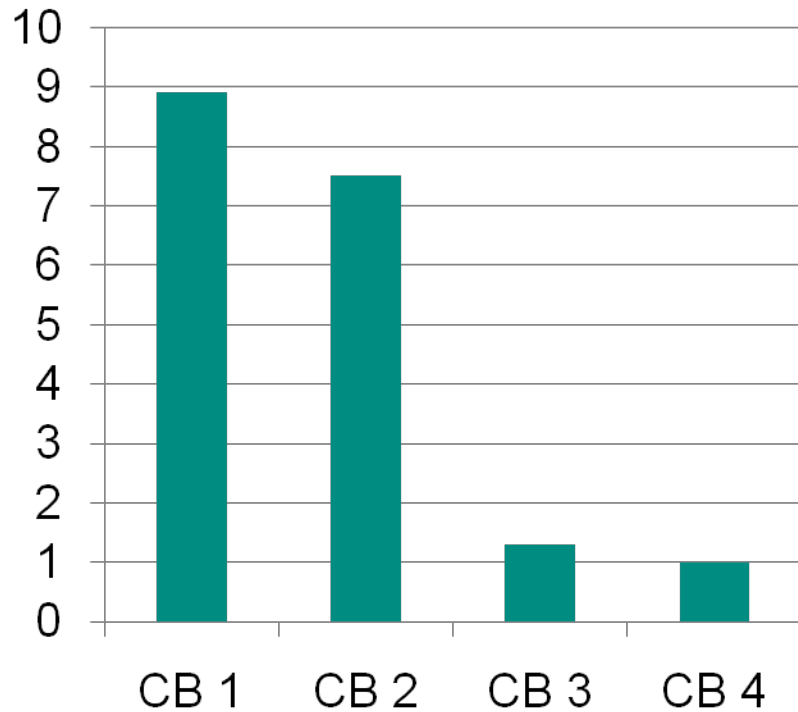
- › **Founded in 1973, private foundation**
- › **135 staff members**
- › **European Network on organic research**
- › **Research and Consultancy in**
  - › **Switzerland**
  - › **Europe**
  - › **Latin America, Asia, Africa**

# How much Fraud is in the US?

# How to assess?

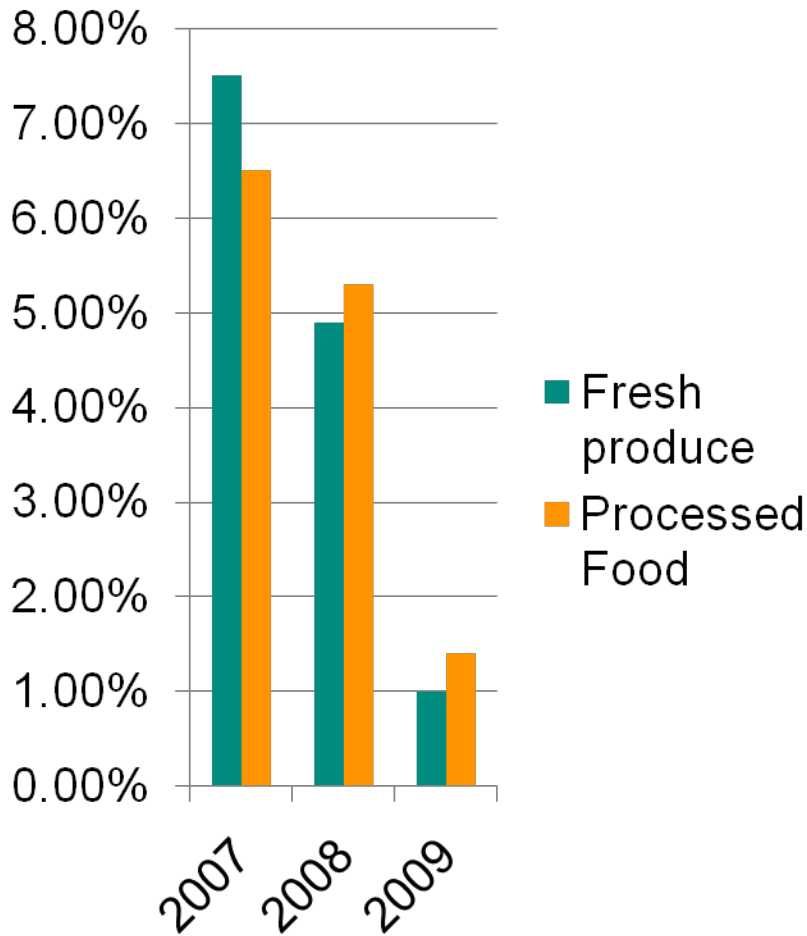
# By the number of fraud detected?

Average No of severe sanctions by 1000 operators



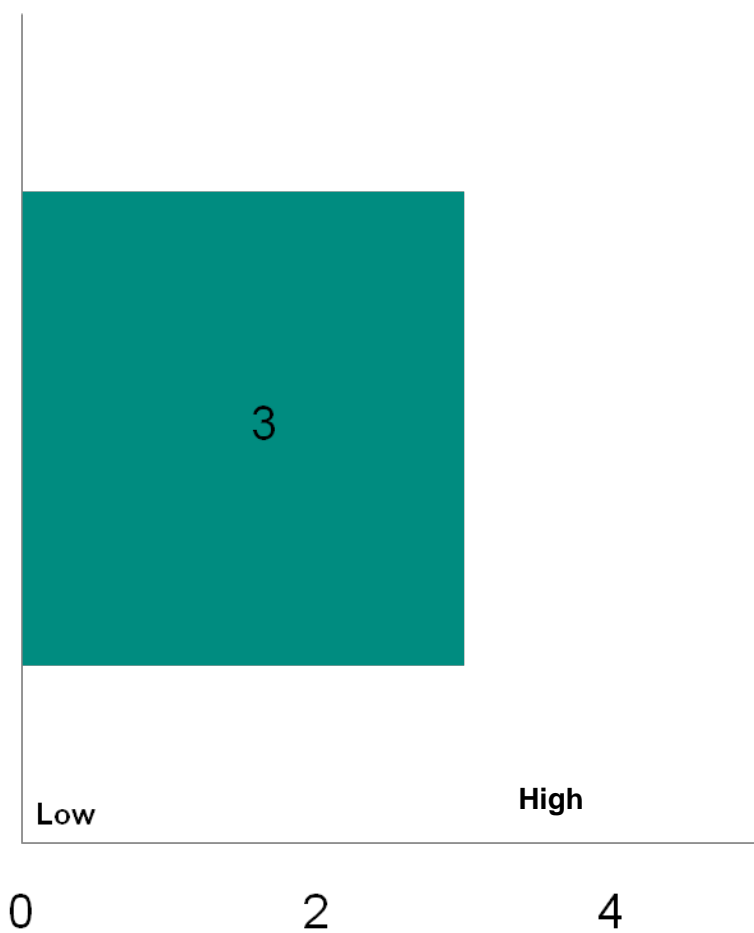
- › Results annual control reports in Germany
- › Which is the more efficient control system?
  - › The CB imposing a high number of severe sanctions (detecting a lot)?
  - › The CB imposing only few severe sanctions (preventing irregularities/fraud)?

# By results of residue analysis?



- › Percentage of samples in breach of the acceptable threshold of chemical synthetic pesticides in Germany
- › No fraud anymore?
- › Or just “adapted” spraying practices?

# By expert assessment?



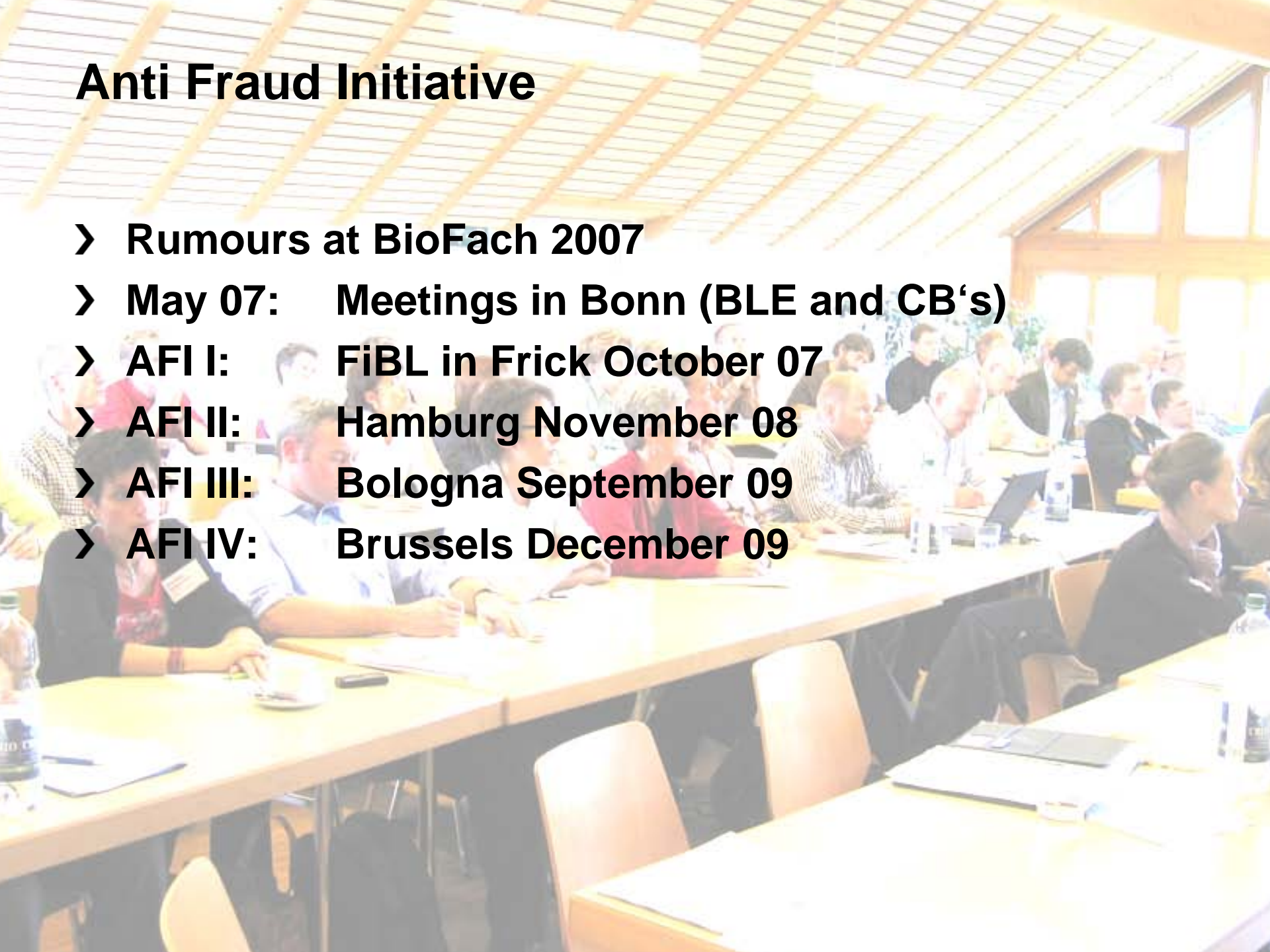
- › How would you assess the ability of the European control system to detect irregularities and fraud?
- › Survey among 40 experts in Europe

- **There is no tool to determine existence of fraud**
- **But the obligation to improve the system continuously**



# 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**



# Conclusions and Results

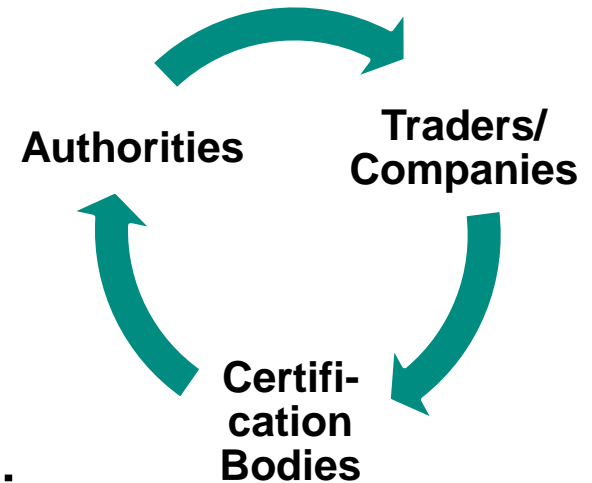
- **Inspection and certification system is sufficiently regulated.**
  
- **Enforcement needs to be improved**
  - **Implementation of requirements**
  - **Supervision to provide level playing field**
- **Increase of effectiveness of inspection**
  - **Inspection tools**
  - **Risk orientation**
- **Improvement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

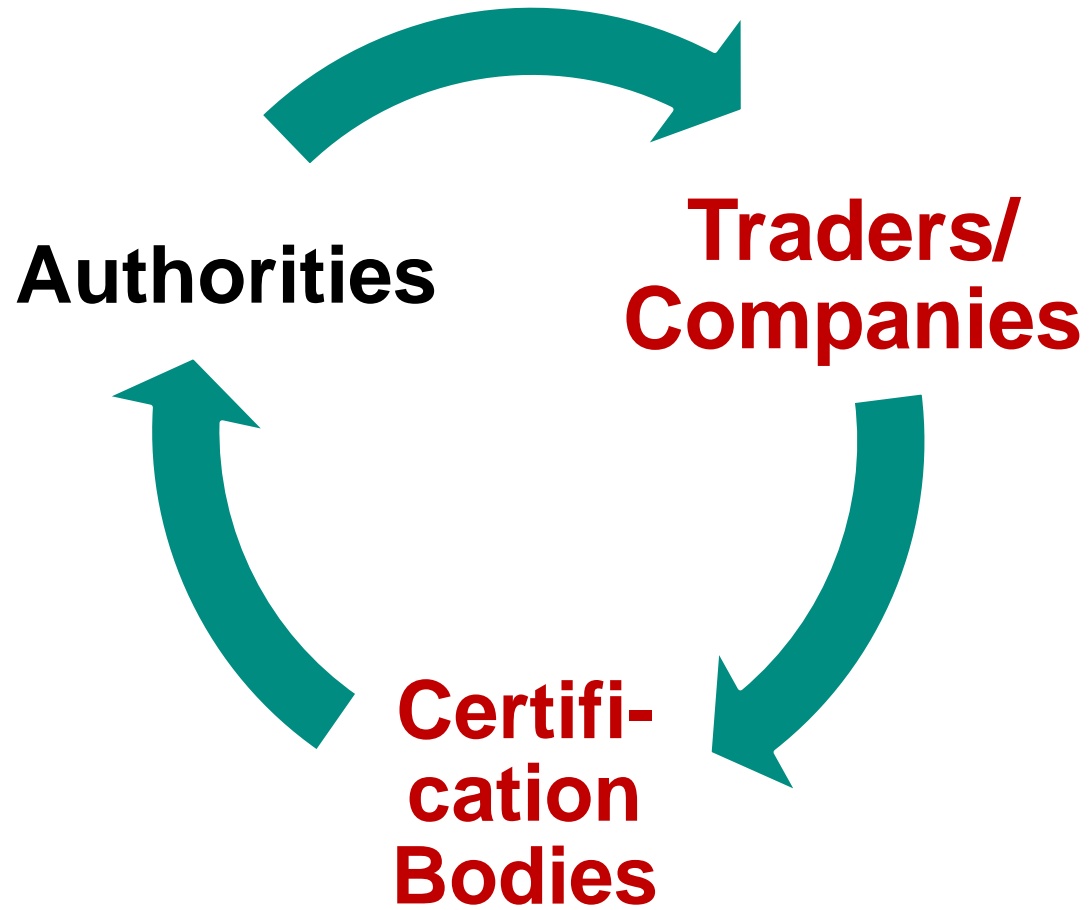


# Conclusions and Results

## Efficacy and efficiency

- › needs co-operation
  - › Quality assurance by companies
  - › Effective controls by certification bodies
  - › Effective supervision to safeguard control quality
- › Targeting the 5 % of operators with irregularities, not the 95 % who are in conformity





# **Residue Analysis a tool to detect fraud?**

# European Initiatives for Interpretation of Pesticide Residues in Organic Products

- **BNN** (German organic trade association):  
threshold value of **0.01 mg/kg**
- **Bio Suisse** (Swiss organic farmers association):  
case by case assessment of the residue findings
- **Synabio** (French organic trade association):  
two threshold values, **S1 = mean Limit of Detection**,  
**S2 = limit between direct pesticide application and**  
**probable environmental contamination**



## Advantages Threshold Values

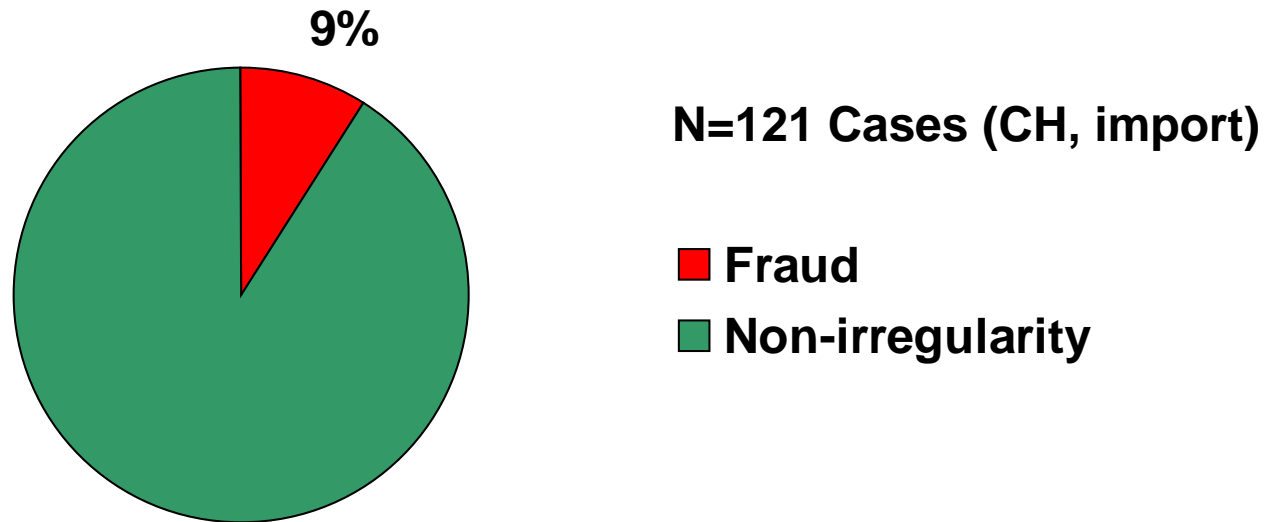
- › Easy to understand and handle
- › Clear legal situation

## Disadvantages Threshold Values

- › No assessment of the source of contamination
- › Control of final product instead of risk oriented control of the process
- › Temptation to mix contaminated produce to reduce the level of pesticide residues

# Residue Cases Notified to Bio Suisse 2003 – 9/2007 (Wyss, Nowak 2008)

Referred to sum of all pesticides detected per case	< 0.01 mg/kg	≥ 0.01 < 0.02 mg/kg	≥ 0.02 < 0.05 mg/kg
Probability for irregularities	1	50	85



91%

- A residue value alone will not tell us something about the source of contamination

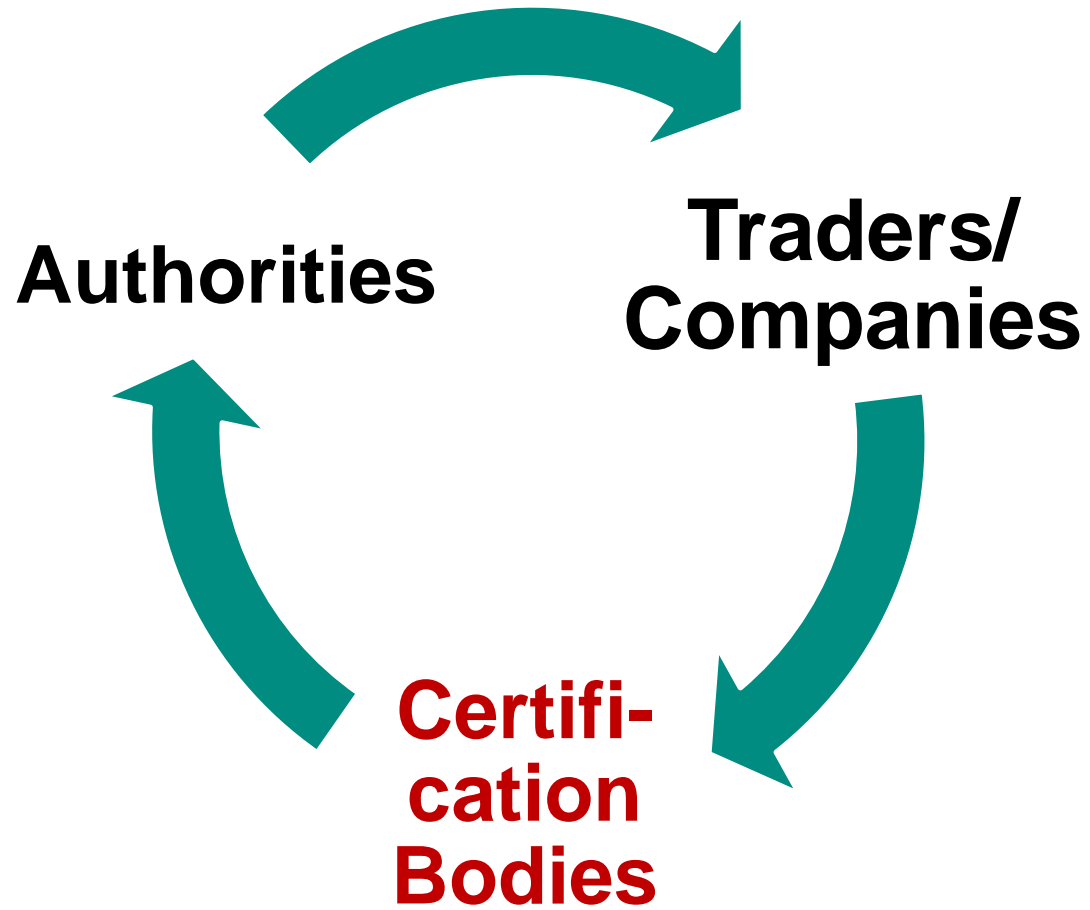


# Pesticide Residues in **Conventional** Food in Europe 2007

Commodity	No. Samples	No residues detected
Strawberries	2788	31.1%
Apples	3454	36.4%
Peaches	2493	49.1%
Lettuce	2578	52.1%
<b>Tomatoes</b>	3418	<b>68.5%</b>
<b>Leek</b>	876	<b>73.2%</b>
<b>Rye</b>	499	<b>77.2%</b>
<b>Oats</b>	344	<b>79.7%</b>
<b>Head cabbage</b>	1125	<b>81.1%</b>

# Residue Analysis

- **Residue free products are not necessarily organic and organic products are not necessarily residue free**
- **Residue analysis is an important tool for quality assurance but results depend on**
  - **Sampling (timing, type of products, quality of sampling...)**
  - **Analysis methods**
- **Analysis results need qualified interpretation**
- **Residue testing in conjunction with other tools can be effective but alone is often inconclusive**



# Cooperation among certification bodies

› **European Organic Certifiers Council**



- › **Foster exchange of information (e.g. suspicion or detection of fraud, switching CB's)**
- › **Definition of quality measures**
- › **Common interpretation of the EU Regulation**
- › **“Cooperation for Reliability”**

# Code of Conduct

- › **Fairness**
- › **Harmonization**
- › **Management of clients**
- › **Qualification**
- › **Information**
- › **Quality Assurance**
- › **Arbitration**
  
- › **Cooperation for Reliability**
- › **Enforcement?**
- › **Reference tool for traders/companies?**

# Public database of certified operators

The screenshot shows a web browser window titled "BioC - Suche - Windows Internet Explorer". The address bar contains the URL: <http://www.bioc.info/de/suche.php?sid=d1f8fea283731ce504e7f80f8364e84c&modus=suche>. The browser's menu bar includes "Datei", "Bearbeiten", "Ansicht", "Favoriten", "Extras", and "?". The address bar also shows "Konvertieren" and "Auswählen". The browser's toolbar includes "Favoriten", "FIBL - Startseite", "Google", "LEO Deutsch-Englisches ...", "Vorgeschlagene Sites", and "Web Slice-Katalog". The browser's status bar shows "Supporters", "CertCost", and "BioC - Suche".

The main content area features the bioC logo and the title "Verzeichnis der zertifizierten Unternehmen des Ökologischen Landbaus". Below the logo is a navigation menu with "Suche" (highlighted), "Login", "Recherche", "Information", "Kontrollstellen", "Nutzung & Haftung", and "Impressum".

The search interface is divided into three steps:

- 1. Name, PLZ**: This step includes two input fields: "Name:" and "Postleitzahl:". The "Name:" field has a placeholder text "Name oder Namensbestandteil (mind. 4 Zeichen)". The "Postleitzahl:" field has a placeholder text "Postleitzahl oder PLZ-Bereich (mind. die ersten drei Stellen)". A "Suchen" button is located to the right of the "Postleitzahl:" field.
- 2. Auswahl**: This step includes a "Kontrollnummer:" field with a dropdown menu for the country (DE), a dropdown menu for the state (BW), a dropdown menu for the district (005), a text input field, and a dropdown menu for the type (A). A "Suchen" button is located to the right of the "Kontrollnummer:" field.
- 3. Ergebnis**: This step is currently empty.

Below the search interface, there are two informational boxes:

- Wirklich Bio ?**: This box contains text explaining that users can check if a business is certified based on the name or postal code. It mentions the "EG-Öko-Verordnung" and provides a link to "Weitere Datenbanken".
- bioC neu strukturiert**: This box contains text explaining that due to the amendment of the Organic Agriculture Act, some changes have occurred at bioC. It provides a link to "mehr" and another link to "Login" for internal access.

At the bottom of the page, there are two more boxes:

- Login für Unternehmen**: This box contains text for companies to log in.
- Login für Kontrollstellen**: This box contains text for control stations to log in.

The browser's status bar at the bottom shows "Internet | Geschützter Modus: Inaktiv" and "100%".

# Risk orientation

## Activities

Unannounced inspections

Risk oriented cross-checks of product flow between companies

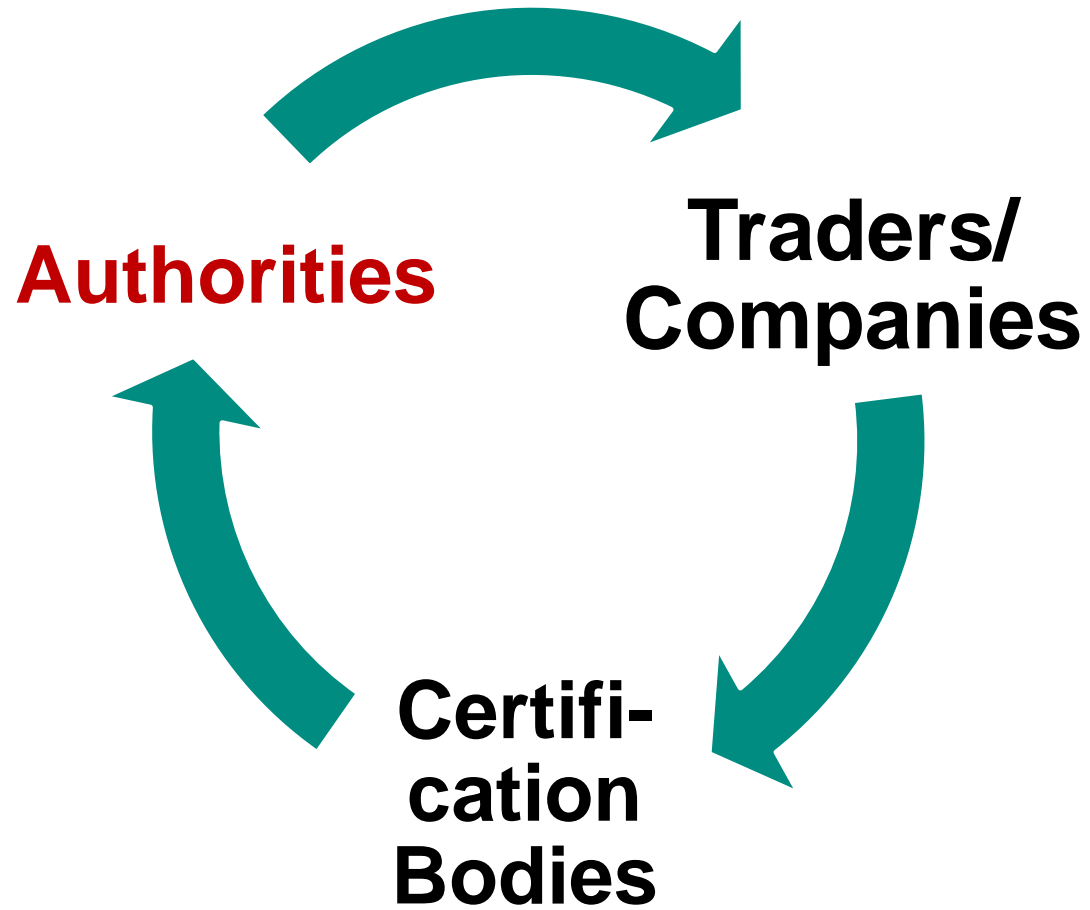
Risk oriented sampling and residue analysis

Exchange of inspection results between CB's if connected companies are certified by different CB's

Input-output calculation for risk products

....

- **How to assess the risk?**
- **All of these measures impose costs – competition among certifiers**
- **How to provide a level playing field?**





# Guidelines for CB's imposed by German authorities

Measures	
Unannounced inspections in addition to announced inspections	20 % per 100 inspections
Cross-checks of product flow between companies	30 % per 100 inspections
Sampling and residue analysis	5 % per 100 inspections
Exchange of inspection results between CB's if connected companies are certified by different CB's	
Use of a common form for irregularities	

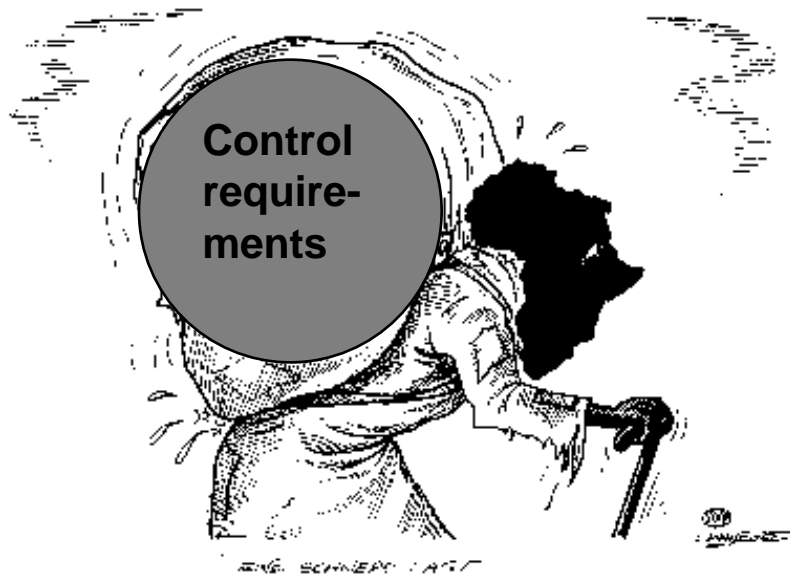


# How to assess efficacy in risk orientation?



- **Effective risk orientation**
  - cannot be defined by shares (e.g. 5 % checks)
  - Needs output orientation for assessment
  - requires an interest to define risks/detect irregularities
  
- **Supervisory bodies need high qualification for supervision tasks**

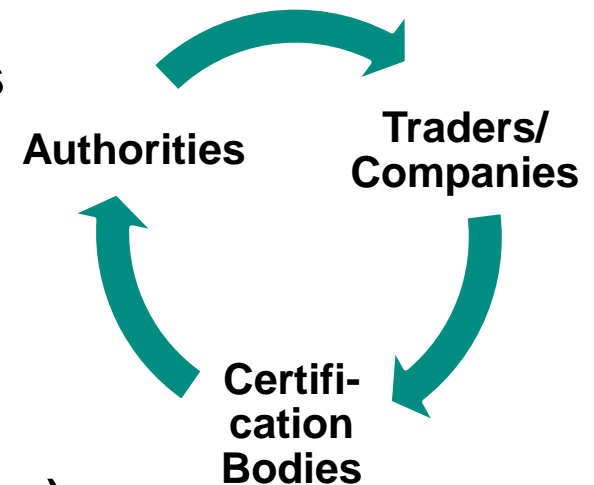
# Considerations for Risk Orientation



- › Risk oriented checks for operators and CB's
  - › should not be an add-on
  - › But a release for the 95 %
  - › And a burden for the 5 % with irregularities
  
- › Risk orientation in supervision as incentive to detect fraud!

# Conclusions

- › **We have a common obligation to improve the system continuously (nothing is perfect)**
- › **Cooperation as means to foster the organic guarantee system**
  - › Exchange of information
  - › A common understanding on the tools and approaches
    - › residue analysis
    - › risk orientation
  - › Strengthen quality approaches
    - › Code of Conducts
    - › Incentives to detect fraud (risk orientation)



# More Information about AFI

- Website <http://www.organic-integrity.org/>
- Subscription to the newsletter
- Upcoming meetings:
  - European workshop in Brussels, 24./25.01.2011

