



FOOD AND
AGRICULTURE
ORGANISATION OF
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International Federation of Organic Agriculture Movements



UNCTAD
UNITED NATIONS CONFERENCE ON TRADE
AND DEVELOPMENT

Tool for Equivalence of Organic Standards and Technical Regulations

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equivalence Tool
711 Bali

Outline of Presentation

- Overview of Tool in the process
- Background
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- Tool
 - Overview
 - Description of elements
 - Table of steps
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 - For next draft of the paper
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Overview: Process Map

- One of the two practical “Tools” that ITF is developing for use by government and private sector
- This Tool is focused on organic standards and government technical regulations for organic production and processing.
- Status: 1st Draft to be further developed in 2008 through consultation process



Work Plan

Element (of strategy)	Action	Status
<p>Reference to International Standard</p>	<p>Acknowledge an international standard</p>	<p><u>Recommendation</u>: for import approvals, governments use Codex Alimentarius 32 Guidelines and IFOAM Basic Standards (closed) <i>5th meeting</i></p> <p><u>Agreement</u>: to use the results of the IFOAM Basic Standards revision to feed into the result of the next Codex Guidelines revision <i>5th meeting</i>.</p>
<p>Equivalency of standards</p>	<p>Common organic regulatory objectives</p>	<p>Common organic standards objectives: a resource (Stockholm 2006) <i>(closed)</i></p>
	<p><i>Guidelines and criteria</i></p>	<p><i>1st Draft: Tool for Equivalence of Organic Standards (Bali 2007)</i></p>
	<p>Potential negative impacts of equivalence</p>	<p>Brief Paper <i>(Bali 2007)</i></p>
	<p>Effect on producers</p>	<p>Put on hold by steering committee 2007</p>
	<p>Consumer research</p>	<p>Information note (Stockholm 2006) <i>(closed)</i></p>

Background: Review

- ITF reviewed WTO guidance for standards and technical regulations
 - Technical regulations/standards should be based on international standards
 - Different technical regulations/standards should be accepted if they meet objectives
- ITF examined how Codex Alimentarius has dealt with equivalence
 - No Codex Guidance on Equivalence for standards/technical regulations
 - Guidance on Equivalence for conformity assessment (CAC GL 34)



Background: Review

- ITF reviewed the experiences of equivalence of organic standards. (5th meeting)
 - EU Article 11.1
 - MAFF- Japan
 - EU-US bilateral equivalence negotiation
 - IFOAM Accredited Certification Bodies MLA
 - IFOAM Approval of other organic standards



Background

- ITF has agreed that equivalence is a more workable approach than harmonization
 - e.g. that the standards used in various countries will be different but should follow a basic international framework (Codex Guidelines and IFOAM Basic Standards)
- International framework itself should be
 - principles/criteria based (*objectives*)
 - give guidance for national/regional standards
 - useful for making equivalence assessments



Background: Solutions for Standards Equivalence

- ITF has agreed to develop a guidance document (Tool) for judging equivalence of organic standards based on
 - the CAC/GL 34 Guidelines for development of equivalence agreements (although aimed at conformity assessment)
 - IFOAM criteria for variations in standards.
- ITF explored another approach to equivalence, Common Regulatory Objectives (CRO).
 - WTO Article 2.7: accept different standards that meet your objectives.
 - Common objectives between two parties can streamline equivalency. (UNECE)
 - ITF started to identify some common objectives of organic standards (5th and 6th meetings). However, the objectives are not formally approved by ITF as organic CROs.
 - ITF CRO results are incorporated in the Tool.



Tool for Equivalence: Overview

- A Resource/guidance
- Within Framework of WTO Guidelines
- Follows current approaches
 - (CAC GL/34 and IFOAM)
- A set of steps to take (by the parties involved in the negotiation)
 - Also some resources/samples for implementing certain steps
- Includes:
 - Reference to international standards
 - Some “model” common objectives of organic standards to use as a reference for dialogue about objectives
 - Some criteria to use for evaluating equivalence of the specific points of another standard
 - A resource for further evaluating whether the whole standard could be considered equivalent
 - Some “process “ steps e.g. transparency



Tool for Equivalence: Uses

- For both government and private sectors
- Unilateral or bilateral equivalence
 - Multilateral agreements? Mainly for decision process
- All of some steps of the tool may be adopted
 - Harmonization of use would be best

Tool for Equivalence: Elements

- Clarify the objectives of the standards
- Specify the scope of standards
- Disclose the legal context for the standards
- Comprehensively compare the standards
- Establish a structured dialogue
- Make the process transparent



Elements

- Clarify the objectives in each standard
 - These may be stated as purposes, principles & criteria
 - The question of the nature of the objectives
 - Principles-based objectives
 - e.g. health of the agro-ecosystem
 - Program objectives
 - e.g. to assure consumer confidence,
 - Production and processing objectives
 - .e.g to maintain and enhance soil biodiversity, to avoid contamination of the product during processing
 - The question of level of the organic production/processing objectives?
 - Define the objectives relevant to the equivalence decision



Elements

- Specify the scope of the standard
 - Types of production and processing
e.g. aquaculture, textile processing,
 - Geopolitical scope of application
 - e.g. Applied internationally, regionally, in one country?
 - Which scope is relevant for the equivalence decision



Elements

- Legal context of the standards
 - What already applies legally and therefore may not be in the standard?
 - e.g. pasture requirements for animals,
 - e.g. applicable labor laws
 - Provide access to these other requirements

Elements

- **Comprehensively compare the standards**
 - Side-by-side comparisons
 - Gap analysis of applicant standard against reference standard
 - Whole picture comparison of the standards
 - An organic standards is greater than the sum of its parts
 - Tool provides a resource matrix for doing this

Elements

- Structure the dialogue based on objectives
 - Demonstrate how other provisions of the evaluated standard meet the outcomes and objectives of the reference standard
 - Demonstrate that the evaluated standard meets international standards (Codex Organic Guidelines and/or IFOAM Basic Standards)
 - Consider legitimate reasons for variance of the evaluated standard
 - Climate, stage of development, cultural, economic, technical
 - IFOAM criteria for variations are a resource
 - Consider how the evaluated standard as a whole meets the objectives of the reference standard

Elements

- Provide for transparency of the process
 - Benefits
 - Builds trust among all stakeholders
 - Builds knowledge to foster more equivalence
 - Trade-offs
 - Time and resource consuming
 - Barriers themselves to equivalence

Steps

- Definitions and codes in the table of steps
 - **Reference standard:** The standard that constitutes the basis for an equivalence evaluation.
 - **Evaluated standard:** The standard for which a determination of equivalence with the reference standard is sought.
 - Codes:
 - **R:** Owner of the Reference Standard
 - **E:** Owner of the Evaluated Standard



#	Step	Who	Outcome
1.	Submit standard and specify scope (geographic and products/production/processing) of the evaluated standard for which equivalence assessment is requested	E	The basic document is provided and boundaries of the evaluated standard are understood “up front”
2.	Specify objectives of the reference standard and the evaluated standard	R E	The objectives of each standard are known.
3.	Specify which information in the equivalence process will be publicly available and not.	R	The degree of transparency is established and known to the parties engaged in the equivalence discussion



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#	Step	Who	Outcome
4.	In the case of governments, disclose all related legal texts and explain their relationship to the standard.	E	Impacts of related texts on the standard and its objectives are known. (e.g. if the standard refers to another legal text)
5.	Issue public notification that a standard will be assessed for equivalence.	R	Transparency of the undertaking.
6.	Comprehensively compare the evaluated standard (or relevant parts thereof) with the reference standard, and identify both the gaps and the additional requirements of the evaluated standard. In the case of governments, include consideration of related legal texts.	E	The detailed basis for the equivalence assessment is established. (Gaps are the focal discussion points and additional requirements help to determine if objectives are achieved)



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#	Step	Who	Outcome
7.	<p>Evaluate the comparison, give feedback and invite written response to feedback which:</p> <ul style="list-style-type: none"> • corrects errors and omissions • points out where the evaluated standard meets either or both of the international “standards”, Codex and IFOAM.. • addresses criteria for variations (see Table 2) • demonstrates how other provisions of the evaluated standard provide outcomes consistent with the standard or objectives. • comments on how the standard when considered as a whole meets the objectives of the reference standard. 	R	Refinement of the assessment and moving it from conformity towards an equivalence determination.



	Step	Who	Outcome
8.	Respond to the evaluation	E	Same as above.
9.	Evaluate response with respect to the objectives of the reference standard, The evaluation and response may require several cycles before an equivalency decision is made.	R	Reduction of barriers to the equivalence from the gaps.
10.	Make a preliminary decision	R	
11.	Issue public notice of preliminary decision and invite public comment (and in the case of governments notify WTO TBT)	R	Transparency of preliminary decision and opportunity for stakeholder input.
12.	Review public comments and issue final decision.	R	

#	Step	Who	Outcome
13.	Communicate the final decision to the owner of the evaluated standard, including requirements for notification of changes, and right to reassessment and/or termination of the agreement, and request approval.	R	Measures to address the maintenance and integrity of the equivalence.
14.	Consent to the requirements for equivalence.	E	Same as above
15.	Make final decision publicly available.	R	Transparency of final decision.



IFOAM Criteria for Variations

There may be conditions where climate, geographical, technical problems as well as economic, regulatory or cultural factors rationalize a variation from the reference standard. The variations are to be achieved without prejudice to fair competition, consumer trust in organic and international harmonization necessary for international trade. The need and necessity for the variation shall be established on at least one of the following:

a. Climatic, geographical, structural conditions prevent effective application of the IBS requirement; or compliant methods to the expected requirement of the IBS are not achievable or feasible;

IBS: IFOAM Basic Standards

b. The application of an IBS requirement would prevent the further development of organic agriculture;

c. The application of an IBS requirement would seriously contradict generally accepted religious or cultural beliefs

d. The application of an IBS requirement would prohibit compliance with legal requirements or legitimate sector regulations

e. The application of an IBS requirement does not meet the commonly agreed 'state of the art' of the organic movement in that region due to a different historical development of a variant practice which has been functioning for many years.



Common Objectives for Organic Standards



Recommendations for 2nd Draft

- Deal with the aspect of omissions from a standard
- Further develop the process for comparing objectives
 - Level and nature of objectives to be specified
- Explore how lists of substances would be considered

General Recommendations

- ITF encourage guidelines to *optimize* transparency
 - In standards setting
 - In negotiation of organic trade agreements
- Next review of Codex Guidelines include ITF considerations
 - Clear objectives in the document
 - Its role as an instrument to help determine equivalence
 - Level of detail in some areas
 - Requirements themselves (does it reflect range of international conditions?)

