DRAFT REPORT

on an EU action plan for organic agriculture
(2021/2239(INI))

Committee on Agriculture and Rural Development

Rapporteur: Simone Schmiedtbauer
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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on an EU action plan for organic agriculture
(2021/2239(INI))

The European Parliament,

having regard to the Treaty on the Functioning of the European Union (TFEU), and in particular Articles 39 and 192(1) thereof,

having regard to the United Nations 2030 Agenda for Sustainable Development and to the Sustainable Development Goals (SDGs),

having regard to the Paris Agreement reached at the 21st Conference of Parties to the United Nations Framework Convention on Climate Change (COP21),

having regard to the Commission communication of 25 March 2021 on an action plan for the development of organic production (COM(2021)0141),

having regard to the Commission communication of 11 December 2019 on the European Green Deal (COM(2019)0640),

having regard to its resolution of 15 January 2020 on the European Green Deal¹,


having regard to its resolution of 9 June 2021 on the EU Biodiversity Strategy for 2030: Bringing nature back into our lives³,

having regard to its resolution of 20 October 2021 on a farm to fork strategy for a fair, healthy and environmentally-friendly food system⁴,

having regard to the Commission proposal of 1 June 2018 for a regulation of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council (COM(2018)0392),

having regard to the Council conclusions of 19 July 2021 on the action plan for the development of organic agriculture,

¹ OJ C 270, 7.7.2021, p. 2.
⁴ Texts adopted, P9_TA(2021)0425.
having regard to its resolution of 17 April 2018 on a European strategy for the promotion of protein crops – encouraging the production of protein and leguminous plants in the European agriculture sector,

having regard to the Council conclusions of 19 October 2020 on the farm to fork strategy,

having regard to the European Economic and Social Committee opinion of 22 September 2021 on the Action Plan for the development of EU organic production,

having regard to Rule 54 of its Rules of Procedure,

having regard to the report of the Committee on Agriculture and Rural Development (A9-0000/2021),

A. whereas the Commission communication on an action plan for the development of organic production (organic action plan, OAP) emphasises that the Green Deal is the key to managing the transition towards a more sustainable food system;

B. whereas Europe’s food system should deliver food and ensure food security in a way that contributes to social well-being, maintains ecosystem health and ensures a fair living for farmers;

C. whereas organic agriculture offers many environmental benefits and has the potential to help the agricultural sector play its part in the fight against climate change and in addressing key challenges such as soil fertility and biodiversity loss;

D. whereas it is essential to ensure that consumers are in a position to make informed choices when purchasing food;

E. whereas in 2019, the EU’s total agricultural area under organic farming grew to 13.8 million hectares; whereas it currently accounts for 8.5 % of the EU’s total utilised agricultural area; whereas between 2010 and 2019 the value of the EU’s organic market has more than doubled; whereas the increase of organic production outpaces the development of the organic market in parts of the EU;

F. whereas the OAP includes 23 actions, providing a solid basis for developing the organic sector in a sustainable manner; whereas a mid-term review of the OAP in 2024 is envisaged and an annual ‘EU Organic Day’ has been established;

**General comments**

1. Welcomes the Commission’s recognition of organic farming as one of the important components on the EU’s path towards more sustainable food systems and the ambition of increasing the EU’s agricultural area under organic farming by 2030; recognises, at the same time, the potential for other sustainable farming methods to contribute to the Green Deal’s objectives;

2. Underlines that the development and growth of the organic sector must be accompanied by market-driven and holistic supply chain developments as well as measures to

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stimulate further demand for organic food and ensure consumer trust, in order to safeguard the future profitability of the organic market and organic farming in the EU;

3. Points out that for an EU action plan to succeed, it must stimulate and mobilise the Member States; expresses the view, therefore, that Member States should be encouraged to develop their own national OAPs with concrete, time-bound actions;

4. Stresses that Member States should engage all stakeholders, especially organic farmers and associations, local and regional authorities, consumer and private sector representatives and the hospitality industry, in a consultative process when adopting their national OAPs to achieve the best possible synergies;

5. Acknowledges that organic production often involves higher production costs and, therefore, needs higher market prices to recover those costs; points out that higher prices may represent a barrier to expansion but that they are necessary to ensure the continuation of organic farming and its further uptake;

6. Recognises the importance of speeding up the development of organic aquaculture in the EU;

**Stimulating demand and ensuring consumer trust**

7. Supports the Commission in further promoting the EU organic logo among consumers, including through organic school schemes; emphasises that it is of paramount importance that consumer surveys on organics are followed by actions to further raise awareness of organic farming;

8. Believes that increasing green public procurement (GPP) in the Member States can serve as a strong stimulus for action towards the organic target; believes that the EU institutions should lead by example; calls on the Commission to research current structural and logistical barriers and to promote the use of GPP criteria in the Member States;

9. Points out that local and regional authorities play an important role in supporting the structuring of the organic sector in terms of production, logistics and trade, facilitating the creation of organised cooperation between producers and consumers, raising awareness at local level and developing educational programmes for preschools and schools;

10. Highlights that the success of the OAP will depend on stronger involvement of the private sector to stimulate demand, especially in countries with less developed organic markets and production;

11. Underlines that it is essential for the Commission, the Member States and stakeholders to engage actively in identifying ways in which the existing certification and control mechanisms can be made more robust to prevent fraud in organic production and trade, both in the EU and in non-EU countries, as well as to prevent additional administrative burdens and costs for farmers, including by using IT solutions;

12. Considers that concrete action to promote exports of EU organic products is needed; requests that the Commission report regularly on forthcoming negotiations with the
EU’s trading partners to inform Parliament about the potential for expansion of the organic market;

**Stimulating conversion and reinforcing the entire value chain**

13. Considers that an adequate common agricultural policy (CAP) budget should be provided to create incentives for farmers to convert to and maintain organic farming practices at national level, through rural development measures or newly introduced eco-schemes, or a combination of the two; calls on the Member States to support generational renewal in organic farming;

14. Notes the potential of short, local and seasonal food supply chains and direct marketing opportunities for organic producers and rural economies to deliver economic and environmental benefits by securing incomes and creating employment, while contributing to animal welfare, as well as environmental, biodiversity and climate protection;

15. Welcomes the Commission’s support for the development of bio-districts within Member States, as they are multifunctional in nature and create synergies between farmers, consumers, the hospitality industry and cultural enterprises;

16. Stresses the fundamental importance of expanding the structured exchange of knowledge and best practices on organic farming among Member States and farmers; believes in the benefits of growing collaboration between scientists, advisory services, the education sector, farmers and society in this respect; highlights the important role to be played by farm advisory services, which Member States must include in their CAP strategic plans, in the development of the organic sector;

17. Considers that the use of digital technologies, including precision farming and blockchain, can play a role in the development of organic farming;

**Improving the contribution of organic farming to sustainability**

18. Stresses the need for research and innovation to overcome restrictions in organic agriculture, such as the availability of organic protein feed, vitamins, plant protection products, fertilisers and genetic resources and to encourage meeting societal expectations on animal welfare and efficient resource use; welcomes the Commission’s intention to earmark Horizon Europe funding in this respect; calls on the Commission to stimulate and foster cooperation between research communities working on organic and conventional food and farming;

19. Highlights the importance of sufficiently available, high-quality organic seeds, heterogeneous material and high-yielding plant varieties; points out their potential in strengthening resilience against plant diseases and the impact of climate change; encourages the Commission and the Member States to step up efforts to improve the functioning of the organic seed market and believes that transitional periods would be helpful in achieving this;

20. Supports the Commission’s intention to extend the EU Market Observatories’ analysis to organic products; stresses the importance of intensifying collection and improving availability of accurate and timely data on the organic sector, particularly on production,
consumption, trade within the EU and with non-EU countries and delivery on sustainability, including farm gate and retail prices, consumer preferences, supply chain structures, added value and farmers’ share in supply chains, in order to shape and monitor EU policy on organic production, evaluate consumption and production trends and increase transparency and confidence in the organic sector through determining environmental, economic and social effects;

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21. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.
EXPLANATORY STATEMENT

On 25 March 2021, the Commission published the EU action plan for the development of organic production (OAP), announced in the Farm to Fork Strategy and the Biodiversity Strategy, in which the Commission has set a target for the share of EU agricultural area to be devoted to organic farming and foresees a significant increase in organic aquaculture by 2030. These strategies are part of the European Green Deal, the Commission’s policy agenda for a sustainable, climate-neutral Europe by 2050. The AGRI committee has decided to draw up an own initiative report on this Action Plan.

The OAP highlights that by producing high quality food with low environmental impact, organic farming, together with other sustainable farming methods, will play an essential role in developing a sustainable EU food system. The OAP sets out concrete actions covering the entire supply chain, from food production to consumption.

The OAP is broken down into three interlinked axes that deliver on the ambitions of the Green Deal sustainability objectives: 1. stimulate demand and ensure consumer trust; 2. stimulate conversion and reinforce the entire value chain; 3. improve the contribution of organic farming to environmental sustainability. The three axes will be supported by 23 actions, continuing some of the 2014-2020 OAP actions, as well as putting forward an array of new actions and mobilising different sources of funding. An OAP mid-term review is foreseen in 2024 and an annual “EU Organic Day” has been established and will be celebrated on 23 September.

Certified organic products are generally more expensive than their conventional counterparts, since organic production often involves higher production costs and, therefore, needs higher market prices to recover those costs. This may represent a barrier to the expansion of the organic sector, but at the same time constitutes an economic prerequisite for the continuation and further conversion to organic farming.

In 2019, the EU’s total agricultural area under organic farming grew to 13.8 million hectares and currently accounts for 8.5 % of the EU’s total utilised agricultural area. The extent of organic production differs significantly between Member States and varies between 0.5 % and 26 % of agricultural area under organic farming. The EU’s 2030 organic target demands a significant growth in the organic sector within just eight years, putting the Member States in the challenging position to adjust their organic ambitions.

In order to offer the Member States the possibility to create tailor-made national OAPs, which act as a supporting toolbox, flanking their national organic ambitions within the framework of the Common Agricultural Policy (CAP), the EU’s OAP must propose the right instruments, incentives, flexibility and balance to address the different circumstances in the different regions of Europe.

The EU’s OAP must pursue a holistic approach that builds on the multifunctional effects of organic agriculture and promotes economic, ecological and social sustainability in an equal manner and that stimulates and mobilises the Member States to develop their own national OAPs with concrete, time-bound actions. These national OAPs should include actions aimed at supporting the advancement of the entire organic supply chain, promoting Green Public Procurement (GPP), strengthening the capacity to drive market developments and assisting
farmers with conversion and adoption of best practices in organic farming, among other actions tailored to the Member States’ needs.

First and foremost, the development and growth of the EU’s organic sector must be accompanied by market-driven and holistic supply chain developments, including measures stimulating further demand for organic food and ensuring consumer trust. Organic overproduction could lead to an associated drop in organic prices, which could ultimately weaken the EU’s organic farmers economically, reduce farmers’ motivation for organic conversion and, subsequently, would not deliver on the Green Deal’s climate and environmental targets to the desired level. Therefore, the expected future increase in supply of organic food must be met with a correspondingly high demand, to safeguard the future profitability of the organic market and organic farming in the EU.

**Stimulating demand and ensuring consumer trust**

In order to allow the OAP to fulfil its function as a supporting toolbox to the Member States’ respective CAP organic ambition, an adequate CAP budget should be provided to create incentives for farmers to convert to and maintain organic farming practices at national level, through rural development measures, newly introduced eco-schemes, or a combination of both. Member States’ support for generational renewal in organic farming is crucial in this regard.

The success of the OAP will also depend on a stronger involvement of the private sector to stimulate demand, especially in countries with less developed organic markets and production.

Increased ambitions in GPP in the Member States can increase organic demand and act as a stimulus to reach the organic target. The Commission should lead by example and apply GPP criteria in the canteens, restaurants and cafés of the EU institutions and agencies. Researching current structural and logistic barriers to the expansion of the uptake of GPP criteria by the Member States and offering solutions is another important task for the Commission, to contribute to the future development of organic consumption. Member States should also include the distribution of organic products in the EU school scheme.

It is essential to ensure that consumers are in a position to make informed choices when purchasing food. In order to become instrumental to the purchasing decisions of consumers, it is essential to further promote the EU organic logo, which must serve as a guarantee for key aspects of the EU’s regulatory framework for organic products, notably common standards, certification, robust enforcement and clear labelling.

Consumers, who buy organic food, have certain expectations about its quality and rely on certifying organizations and organic controls to verify this quality, as well as to provide information about the origin of organic products. Mistrust in the EU’s organic certification process and doubts about the EU organic logo can permanently damage efforts to further strengthen the organic sector. Therefore, transparency is crucial for consumers and requires mandatory controls by independent control bodies. Given the complexity of the organic supply chain, it is essential for the Commission, the Member States and stakeholders to actively engage in identifying ways in which the existing certification and control mechanisms can be made more robust to prevent fraud in organic production and trade, both in the EU and in non-EU countries, as well as to prevent additional administrative burden and
costs for farmers. Here, IT solutions should come into play.

In order to achieve a maximum development of the organic sector, the involvement of local and regional authorities is crucial. Local and regional representatives often have a clear picture of shortcomings in their respective region or community and can determine room for improvement and concrete actions. Cities, towns and regions all play an increasingly valuable role in supporting the structuring of the organic sector in terms of production, logistics and trade or facilitating the creation of organised cooperation between producers and consumers. Awareness raising and information activities as well as developing educational programmes for preschools and schools, including organic farm visits to develop a stronger connection to agriculture and the value of food, can be beneficial actions to educate consumers and future consumers at local level.

In some parts of the EU, the increase of organic production outpaces the development of the organic market. Action to promote the export of EU organic products can become necessary, in order to avoid overproduction and safeguard profitability of the organic market and organic farming in the EU.

Moreover, for the EU to fulfil its potential in terms of setting global standards in sustainable agriculture, information and promotion programmes on the EU’s organic products and increased awareness and recognition of the EU organic logo in non-EU countries are important, the latter providing consumers with assurances on the sustainability, quality and characteristics of the products and the production processes used.

Organic aquaculture is a relatively young sector with considerable potential for growth and Member States and stakeholders should ensure that its development is accelerated.

**Stimulating conversion and reinforcing the entire value chain**

In a balanced market situation, short and local food supply chains that also take account of seasonality, as well as direct marketing opportunities - where possible - bear great potential to deliver economic and environmental benefits for organic farmers and rural economies, by securing incomes and creating employment, while contributing to animal welfare, as well as environmental, biodiversity and climate protection.

The development of bio-districts within Member States creates synergies between farmers, consumers, the hospitality industry and cultural enterprises, as they are multifunctional in nature and promote the economic and sociocultural potential of a region. Existing networks should be encouraged to widen the number of villages, towns or cities involved.

To stimulate conversion and reinforce the entire value chain, expanding the structured exchange of knowledge and best practices on organic farming among Member States and farmers, as well as strengthening farm advisory services, is fundamental. Growing collaboration between scientists, advisory services, the education sector, farmers and society is beneficial for the development of the organic sector.

The use of digital technologies, including precision farming and block chain, can play a role in the development of organic farming. There is a widening gap in technology use in small- and large-scale businesses, processing facilities and farms, which differs in the Member States. The adaption of large-scale technologies and digital solutions to fit small-scale organic
businesses, processing facilities and farms, as well as innovations in new, tailor made solutions for small-scale production, would have a positive effect on organic production, for example, in terms of resource efficiency.

**Improving the contribution of organic farming to sustainability**

The substantial expansion of the EU’s agricultural area under organic farming must be fundamentally flanked, promoted and supported by a strong research and innovation policy. Existing barriers must be broken and restrictions removed. To overcome restrictions in organic agriculture, such as the availability of organic protein feed, vitamins, plant protection products, fertilizers and genetic resources and in order to encourage meeting societal expectations on animal welfare and efficient resource use, research and innovation is urgently needed. Earmarking Horizon Europe funding and stimulating and fostering cooperation between research communities, working on organic and conventional food and farming to learn from each other, can have a significant impact on improving the contribution of organic farming to sustainability.

For example: we need sufficiently available, high-quality organic seeds, heterogeneous material and high-yielding plant varieties that provide stronger resilience against plant diseases and the impact of climate change. Furthermore, alternative plant protection products and plant protection methods must be found and promoted, as the market segment for natural substances is small and less profitable and the registration process is costly and time consuming. The Commission and Member States must step up efforts regarding a better functioning of the organic seed and plant protection products market and must allow for transitional periods for their establishment and development.

The intensified collection and availability of accurate, timely and comparable data on the organic sector plays an important role in its further development. In particular, data on production, consumption, trade within the EU and with non-EU countries and delivery on sustainability, including farm-gate and retail prices, consumer preferences, supply chain structures, added value and farmers’ share in supply chains, are necessary to monitor and shape the EU’s policy on organic production and to evaluate consumption and production trends. The EU’s organic sector’s environmental, economic and social effects can be made visible in this way and trust in the EU’s organic products can be improved by increased data transparency. Therefore, the Commission’s intention to extend the EU Market Observatories’ analysis to organic products is to be welcomed.

To conclude, high-quality food, produced regionally and in harmony with nature, is important for the quality of life of European citizens and for environmental, biodiversity and climate protection. This is what organic agriculture stands for. We provide the organic model with more space in Europe, while respecting the potential of other sustainable farming methods to contribute to the Green Deal objectives.