The private sector perspective on developing an ASEAN organic standards and a system for recognizing conformity assessment

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• Opportunities and challenges/questions
About OPTA

• Established in 1995 as a non-stock corporation
• Pioneered the organic weekend / weekly market in Philippines in several villages in Makati
• At present, OPTA has 60 members from producers, processors, retailers, academe and others
• Programs and activities include market linkage, policy advocacy, trade fair participation, education and training and market guarantee.
Global and Asian Organic Trends

- Global Organic Consumption
- Global and Asian Organic Production
- Certified Operators in Southeast Asia
- Certified Area in Southeast Asia 2005-2010
- Organic Goods Flowing in ASEAN
- Organic Certification Bodies in ASEAN (2012)
Organic consumption

Organic food & drink: a flourishing market

- 2000 – 2010: market x 4
- 2011 global organic market = 63 billion US dollars

90% of the organic sales in North America + Europe

- US = 30 billion US dollars
- Germany = 9 billion US dollars
- France = 5 billion US dollars

The ten countries with the largest markets for organic food 2011

Source: FiBL-AMARFOAM survey 2013, based on national data sources

<table>
<thead>
<tr>
<th>Country</th>
<th>Retail sales in million Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>21,038</td>
</tr>
<tr>
<td>Germany</td>
<td>6,590</td>
</tr>
<tr>
<td>France</td>
<td>3,756</td>
</tr>
<tr>
<td>Canada (2010)</td>
<td>1,904</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1,882</td>
</tr>
<tr>
<td>Italy</td>
<td>1,720</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1,411</td>
</tr>
<tr>
<td>Austria</td>
<td>1,065</td>
</tr>
<tr>
<td>Japan (2010)</td>
<td>1,000</td>
</tr>
<tr>
<td>Spain</td>
<td>965</td>
</tr>
</tbody>
</table>
Organic production in the world

World: 70 M hectares

Asia: 9 M ha

ASEAN: 270 000 ha

Indonesia: 75 000 ha
Geographical distribution of certified operators in South-East Asia

- Indonesia: 211
- Thailand: 210
- Philippines: 151
- Vietnam: 54
- Papua: 32
- Malaysia: 12
- Laos: 11
- Singapore: 7
- Cambodia: 5
- East Timor: 5
- Myanmar: 2

Legend:
- > 200 op
- 100 – 200 op
- 50 – 100 op
- 10 – 50 op
- < 10 op
Organic certified area in South-East Asia - 2005-2010

Area (in hectares)

- Indonesia: 104,002
- Philippines: 79,992
- Thailand: 34,780
- Vietnam: 33,487
- East Timor
- Cambodia
- Laos
- Papua
- Malaysia
- Myanmar
Organic Goods Flowing Among ASEAN

• Very limited at the moment
  – Philippines – Coconut products, fertilizers from seaweeds
  – Indonesia – Coffee, guano
  – Thailand – Rice
## Organic Certification Bodies in ASEAN

<table>
<thead>
<tr>
<th>Country</th>
<th>Local</th>
<th>Foreign (Source: USDA, 01/2013)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>OCCP, NICERT</td>
<td>BCS, CERES, CUC*, ECOCERT, GOA, IMO, IMZ, Organic Certifiers, OCIA,</td>
</tr>
<tr>
<td>Cambodia</td>
<td></td>
<td>ECOCERT</td>
</tr>
<tr>
<td>Laos</td>
<td></td>
<td>ECOCERT, OMIC</td>
</tr>
<tr>
<td>Malaysia</td>
<td></td>
<td>ECOCERT, ICEA, NASAA</td>
</tr>
<tr>
<td>Singapore</td>
<td></td>
<td>CERES, ONECERT</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td></td>
<td>CUC</td>
</tr>
<tr>
<td>Thailand</td>
<td>**ACT, OCI-DA, NOSA</td>
<td>ACO, BCS, BIOAGRICERT, CERES, CUC, ECOCERT, ICEA, **SOIL ASSOCIATION</td>
</tr>
<tr>
<td>Timor Leste</td>
<td></td>
<td>CUC</td>
</tr>
<tr>
<td>Vietnam</td>
<td></td>
<td>CERES, CUC, ECOCERT</td>
</tr>
<tr>
<td>Indonesia</td>
<td>**BIOCERT, SDS, MA, SUCOFINDO, LESOS, PERSADA, INOFICE, SUMATERA</td>
<td>BIO-INSPECTA, BUREAU VERITAS, CERES, CUC, ECOCERT, ICEA, NASAA, ONECERT; **ACT (**Source: Ecocert)</td>
</tr>
</tbody>
</table>
Key opportunities and challenges in developing regional organic standards and a system for recognizing conformity assessment
The Key Opportunity in developing ASEAN organic standards

• Asian Regional Organic Standards
  – A product of private and public collaboration in the region finalized last February 2012;
  – Facilitated in a transparent manner by FAO, IFOAM and UNCTAD;
  – With production and processing standards which allows trading of raw and processed products
  – Appropriate to tropical agriculture conditions with shorter conversion period
The Other Key Opportunity in developing ASEAN organic standards

• ASEAN Economic Community by 2015 based on 4 pillars
  – single market and production base,
  – competitive economic region,
  – equitable economic development, and
  – integration into the global economy
Key challenges in developing ASEAN organic standards

• Companies from member countries have the same commodities or products which may lead to competition or distrust during inspection and certification;

• Most member countries are more oriented towards the lucrative market in Europe and North America with less trading among Members;
Key Opportunities in developing a system for recognizing conformity assessment

• Conformity assessment for organic in ASEAN follows the same rigors for Inspection, Certification & Accreditation which are operational in some member countries like Philippines, Thailand and Indonesia;

• There are many foreign certification bodies operating in the ASEAN countries and some have set up their local branches.

• There are capable local-based organic inspectors operating within the region with international qualifications;
Key Opportunities in developing a system for recognizing conformity assessment

• The ASEAN members can benefit from the Global Organic Market Access Project which developed and made available the following platform or tools for harmonization and equivalence:
  – International Requirements for Organic Certification Bodies
  – Equitools – Common Objectives and Requirements for Organic Standards
Key questions in developing a system for recognizing conformity assessment

• Is there a need to align future system for ASEAN to established international recognition system?
• Can ASEAN develop and operate a different system? Is there an existing capability?
• Is ASEAN involving all stakeholders (local regional and international; producers, traders, CBs, etc) in developing the system?
• Is the process transparent and inclusive?
Sources

• USDA NOP Website
• FiBL
• IFOAM
• Ecocert