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

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Contents

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)

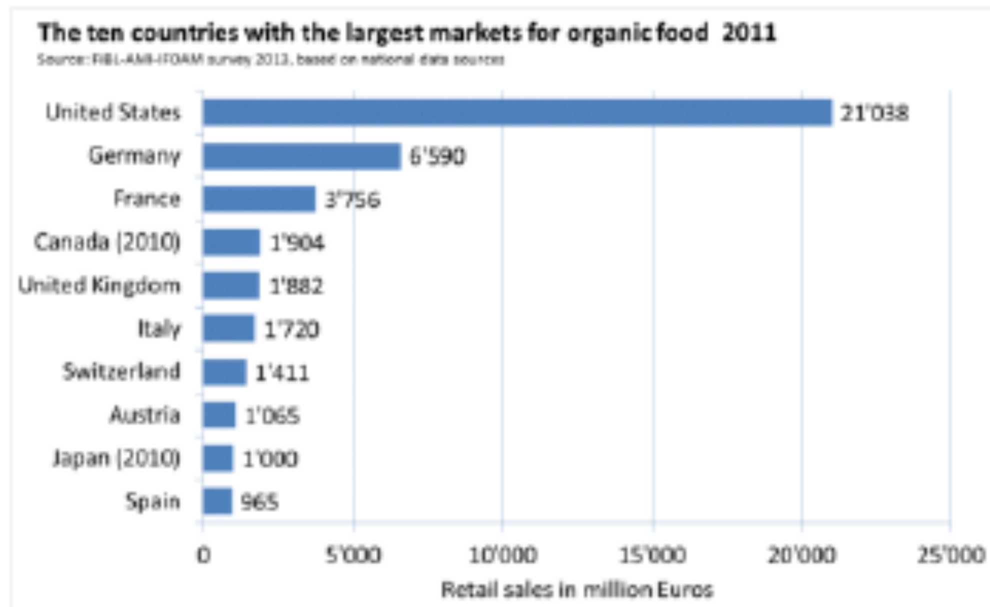
Organic consumption

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



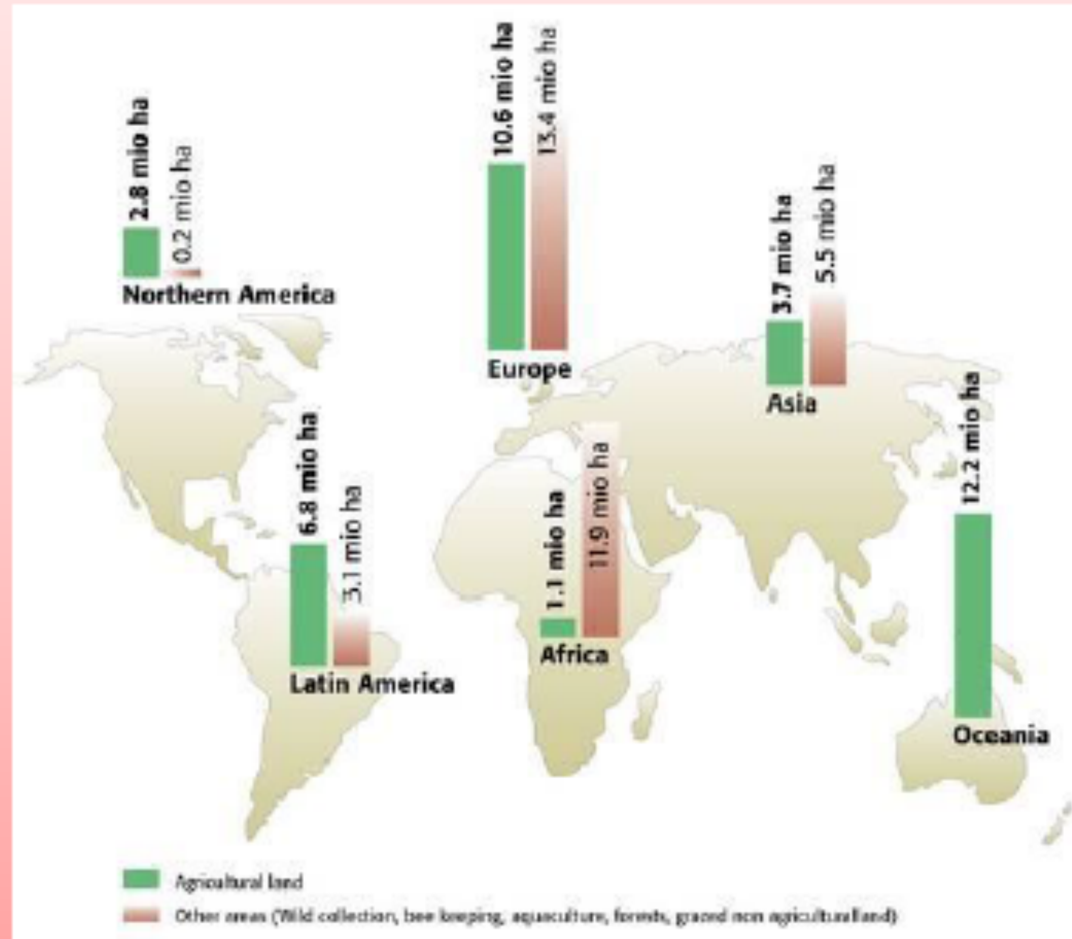
Organic production in the world

World : **70 M** hectares

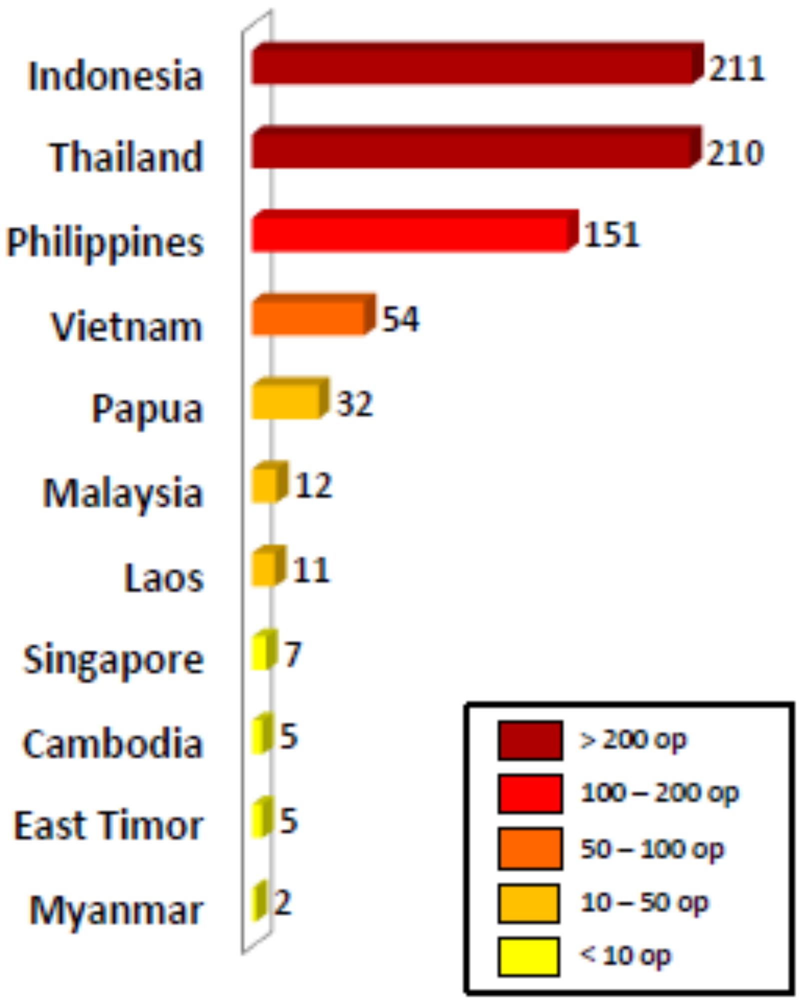
Asia : **9 M** ha

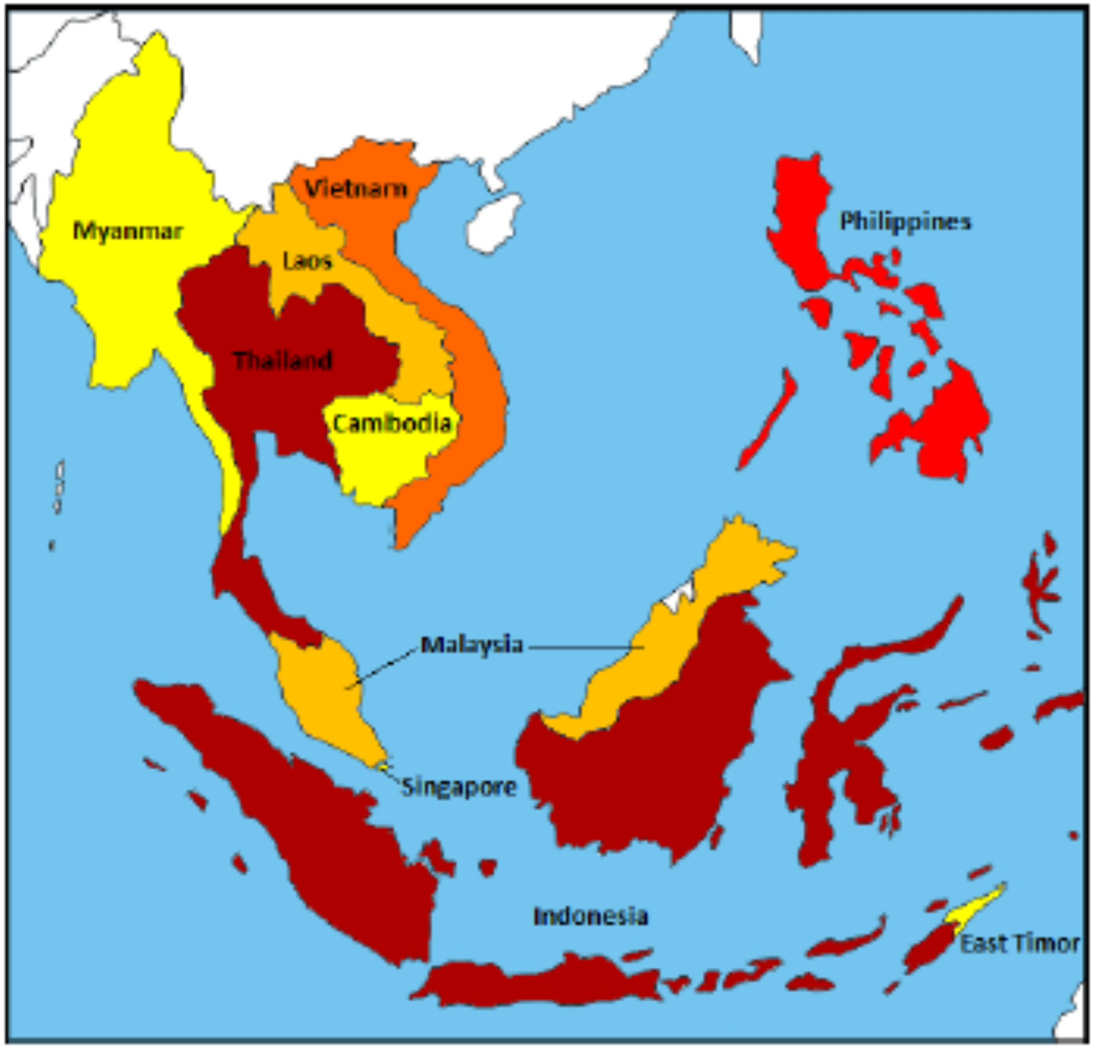
ASEAN: 270 000 ha

Indonesia : 75 000 ha

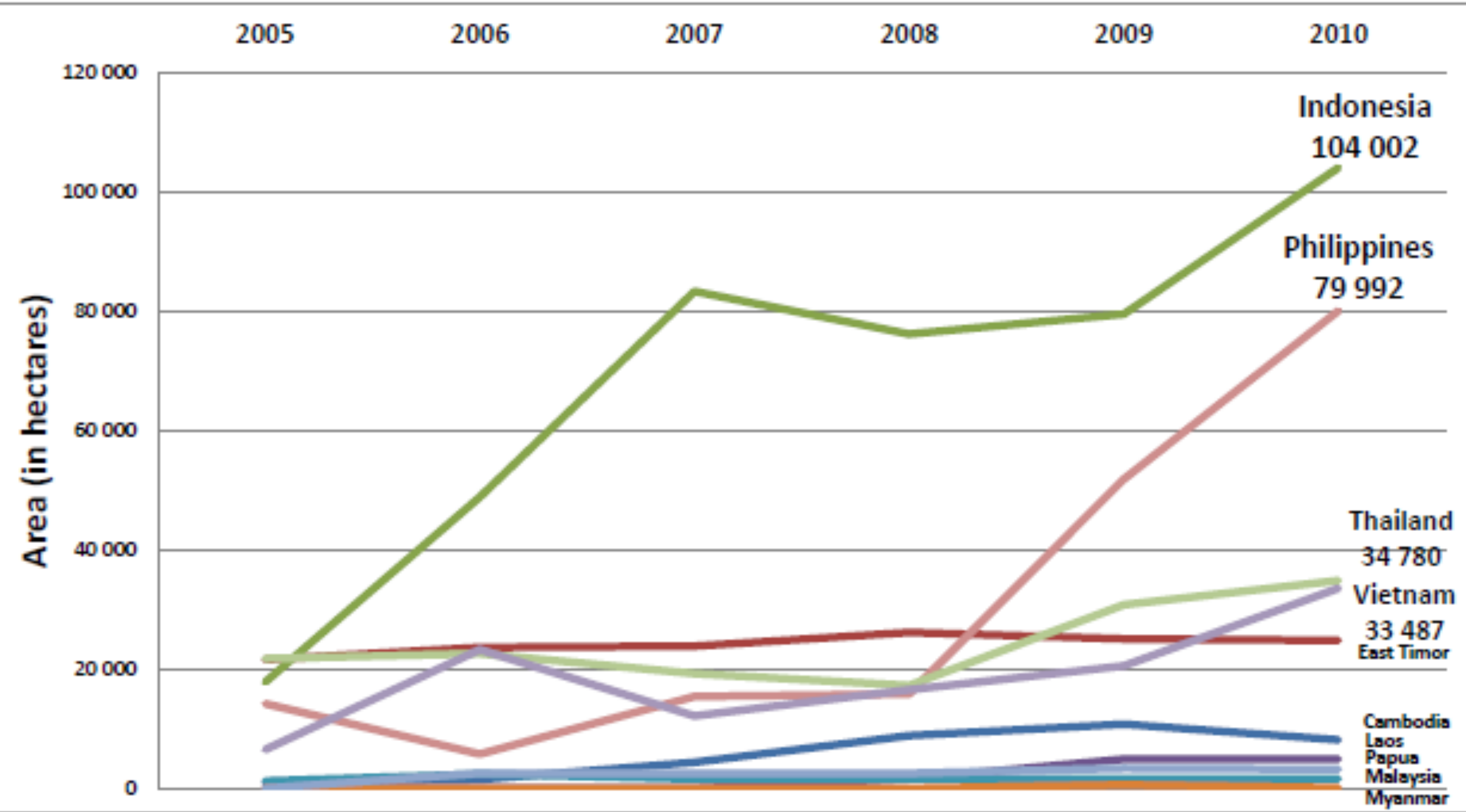


Geographical distribution of certified operators in South-East Asia





Organic certified area in South-East Asia - 2005-2010



Organic Goods Flowing Among ASEAN

- Very limited supply at the moment
  - Philippines – Coconut, seaweeds fertilizers
  - Indonesia – Coffee, guano
  - Thailand – Rice
- Potential/actual buyers in the region / HK
  - Singapore
  - Malaysia
  - Brunei
  - Hong Kong

Organic Certification Bodies in ASEAN

Country	Local	Foreign (Source: USDA, 01/2013)
Philippines	OCCP, NICERT (1)	(9/29) BCS, CERES, CUC*, ECOCERT, GOA, IMO, IMZ, Organic Certifiers, OCIA,
Cambodia		(1/1) ECOCERT
Laos		(2/4) ECOCERT, OMIC
Malaysia	(1)	(3/6) ECOCERT, ICEA, NASAA
Singapore		(2/2) CERES, ONECERT
Sri Lanka		(1/30) CUC
Thailand	**ACT , OCI-DA, NOSA (3)	(7/42) ACO, BCS, BIOAGRICERT, CERES, CUC, ECOCERT, ICEA, **SOIL ASSOCIATION
Timor Leste		(1/2) CUC
Vietnam		(3 /5) CERES, CUC, ECOCERT
Indonesia	**BIOCERT, SDS, MA, SUCOFINDO, LESOS, PERSADA, INOFICE, SUMATERA (8)	(8/42) BIO-INSPECTA, BUREAU VERITAS, CERES, CUC, ECOCERT, ICEA, NASAA, ONECERT; **ACT (**Source: Ecocert)

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 attraction 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, Malaysia, 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 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?
- Will this lead to increased trading among members?

Key challenges in developing a system for recognizing conformity assessment

- Misaligned systems will lead to multiple layers of requirements which can be translated multiple burden of certification at farmers level.
- Farmer → National → ASEAN → Global ➔ Ideally from a streamlined system to multiple layers of certification

Challenges at Producers level

- Seeds and seedlings
  - Available vegetable seeds are conventional or treated and less on organic
  - Cereal crops – corn, rice, soya and others are becoming "GMO"
- Fertilizers and pesticides
  - Increased labor requirements in fertilizer preparation, bio-pesticides preparation and weeding
- Certification or guarantee
  - how to support independent and organized smallholders
  - Hot to treat the difference between 3rd party certification and PGS
- Access to market and premium payment
  - most producers are located in rural communities and organic consumers are located in urban communities

Sources

- USDA NOP Website
- FiBL
- IFOAM
- Ecocert