

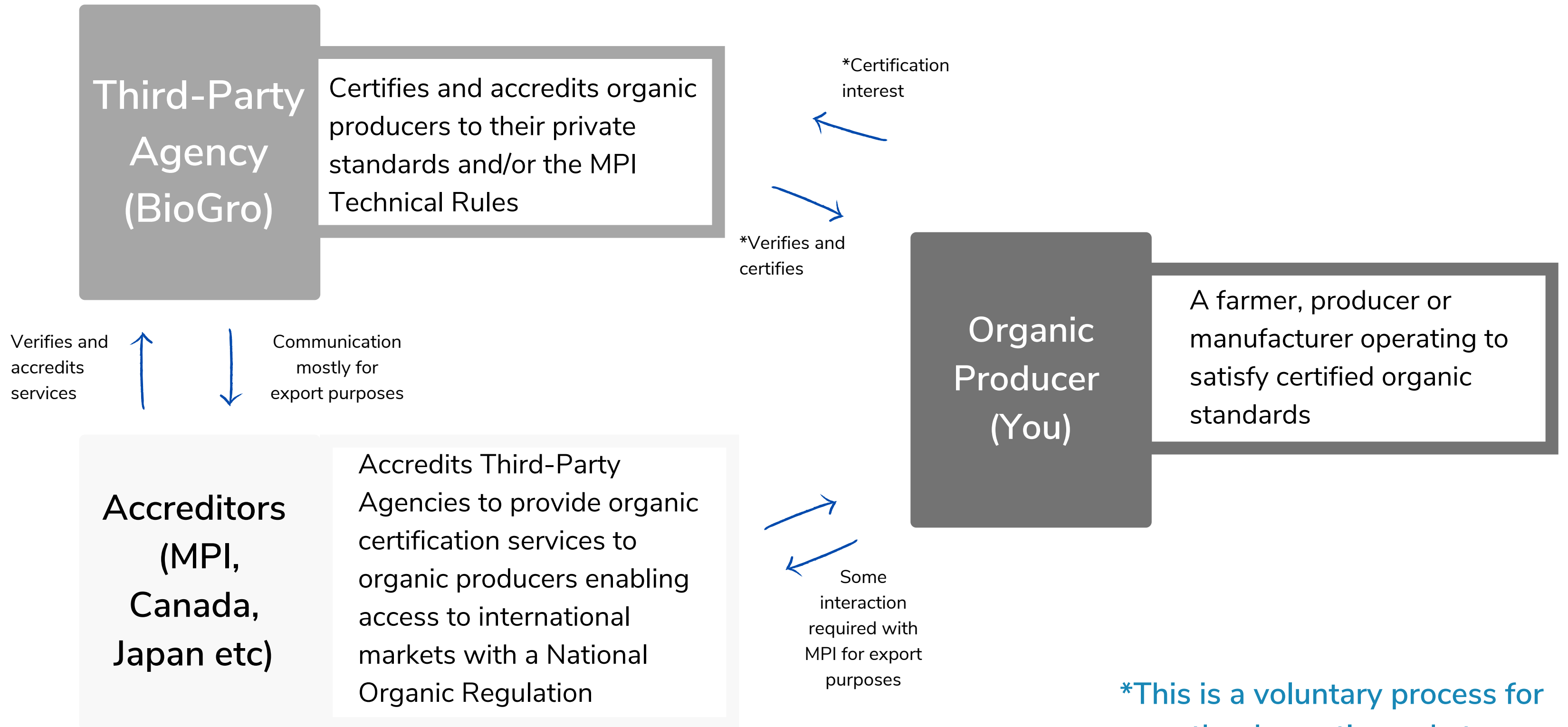
Organic Products Bill - Submission Guide



This guide is to help you make a submission on the latest Public Comment for the Organic Products Bill.

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Current Certification Structure



***This is a voluntary process for the domestic market**

**Organic
Producer
(You)**

- A farmer, producer or manufacturer operating to satisfy certified organic standards
- In an unregulated market, verification of your organic products are currently achieved through the private standards of Third-Party Agencies and/or MPI Technical Rules
- Producers exporting organic products overseas must also meet international requirements, this is handled by the Third-Party Agencies if they are recognised

**Third-Party
Agency
(BioGro)**

- Certifies and accredits organic producers to their private standards and/or the MPI Technical Rules
- Some Third-Party Agencies are internationally recognised and accredited through equivalency agreements which enables organic producers to export their products overseas
- The Third-Party Agency will ensure that the organic producer is not only meeting the private standards and/or the MPI Technical Rules, but also the requirements to the specific country you are exporting to
- Third-Party Agencies with this recognition must themselves receive an annual audit by each overseas accreditor, to ensure their procedures remain compliant

**Accreditors
(MPI,
Canada,
Japan etc)**

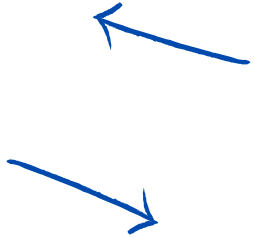
- Accredits Third-Party Agencies to provide organic certification services to organic producers enabling access to international markets with a National Organic Regulation

Proposed Certification Structure

Recognised Body (BioGro)

Verifies and approves organic producers to the National Organic Standards

*Certification interest

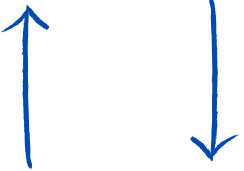


Verification with final approval from NZ Government

Organic Producer (You)

A farmer, producer or manufacturer operating to satisfy the National Organic Standards

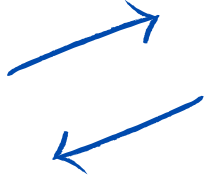
Verifies and accredits services.



Must obtain verification & approval for each organic operator

Accreditor (NZ Government)

Accredits Recognised Bodies to provide organic verification services to organic producers for domestic purposes and enabling access to international markets.



Final approval comes from NZ Government and may include multiple ministry departments

International Markets

Create and maintain equivalency agreements to the National Standards

***This is a legal requirement for the domestic and export market**

**Organic
Producer
(You)**

- A farmer, producer or manufacturer operating to satisfy the National Organic Standards.
- To use the term organic on any packaging or labelling, you must meet national requirements and achieve organic approval

**Recognised
Body
(BioGro)**

- Provides verification to organic producers to the National Organic Standards
- Final verification and approval decision must come from NZ Government
- Recognised Bodies will be recognised by the New Zealand Government to ensure their procedures remain compliant to overseas requirements

**Accreditors
(NZ
Government)**

- Accredits Recognised Bodies to provide organic verification services to organic producers for domestic purposes and enabling access to international markets
- Issues final approval for all verification and approval decisions - this may include multiple ministries
- The Accreditor will form equivalency agreements with overseas markets at a national level to ensure our national standards remain compliant and equivalent to overseas requirements

**International
Markets**

- Equivalency agreements will be formed by the NZ Government with International Markets. This will ensure that all organic imports and exports meet the relevant requirements

Comparison

Organic Producer (You)

- Verified through private standards and/or MPI Technical Rules
- Exporters must meet international requirements
- Voluntary process for domestic market

Third-Party Agency/ Recognised Bodies (BioGro)

- Certifies to private standards and/or the MPI Technical Rules
- Some TPA's are internationally recognised and receive annual audits to maintain accreditation
- Handles all export requirements for producers
- Final certification decisions are handled by TPA's

Accreditors

- Includes MPI, Japan, Canada etc...
- Accredits Third-Party Agencies to provide organic certification services to organic producers enabling access to international markets with a National Organic Regulation
- Certification decisions delegated to TPA

International Markets

Access achieved through Equivalency agreements and accreditations

Current Structure

Proposed Structure

- Verified through National Organic Standards
- To use the term organic on any packaging or labelling, you must meet national requirements and achieve organic approval

- Verifies to National Organic Standards
- RB's will be recognised by the NZ Government to ensure their procedures remain compliant
- Final approval decisions are handled by NZ Government

- Includes NZ Government only
- Accredits RB's to provide organic verification services to organic producers for domestic purposes and access to international markets.
- Issues final approval for all verification and approval decisions - this may include multiple ministries
- Handles equivalency agreements with international markets

Includes Japan, Canada etc...

- Equivalency agreements will be formed by the NZ Government with International Markets. This will ensure that all organic imports and exports meet the relevant requirements

Make a Submission

Despite falling behind other countries, we are in a unique position where we can help to shape the sector in a way that makes sense to everyone. A public comment gives you a voice through a complex process, and we encourage everyone to utilise this.



The Organic Products Bill and all associated documents are available to download on the New Zealand Parliament website. We advise you to read through these documents carefully and focus on key areas specific to your own operation.



You have until **Thursday 28th May** to make a submission

Policy Process - Key Steps

Organic Products Bill

A government bill which has been proposed to New Zealand's legislature. A bill will not become law until it is passed by the legislature.



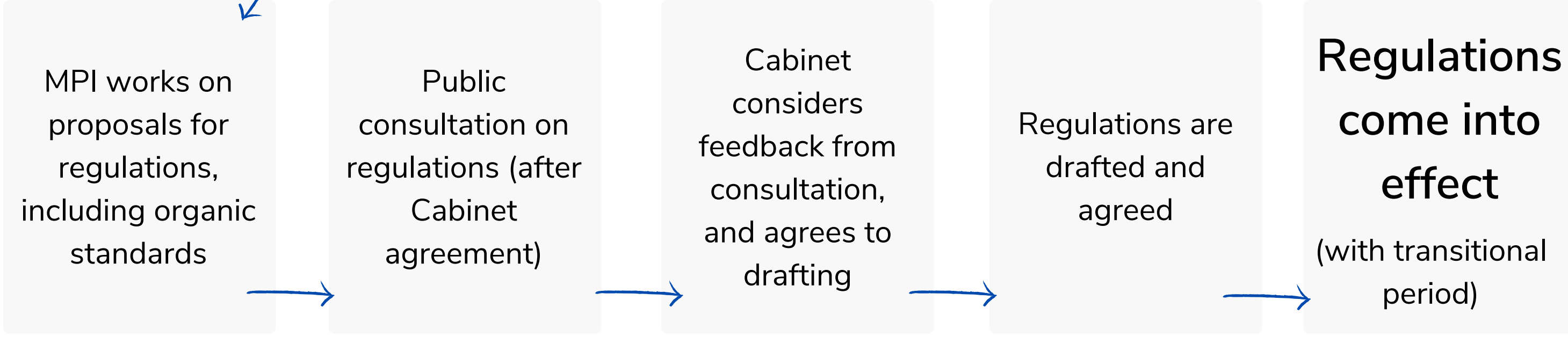
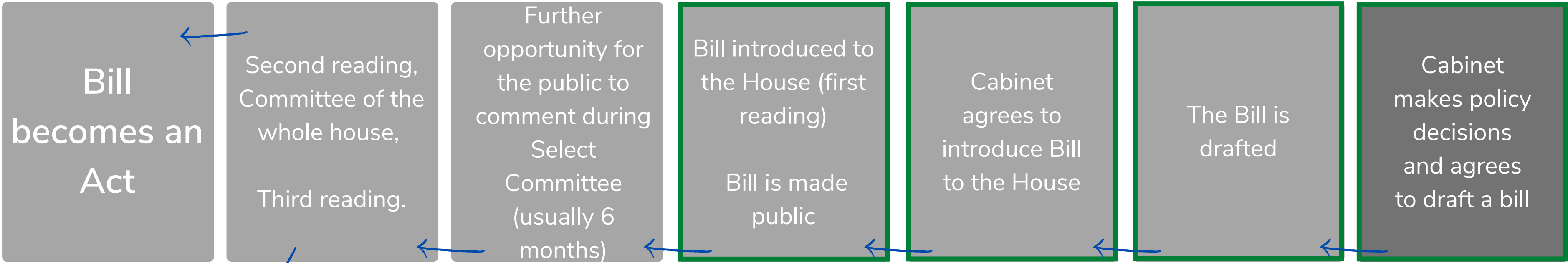
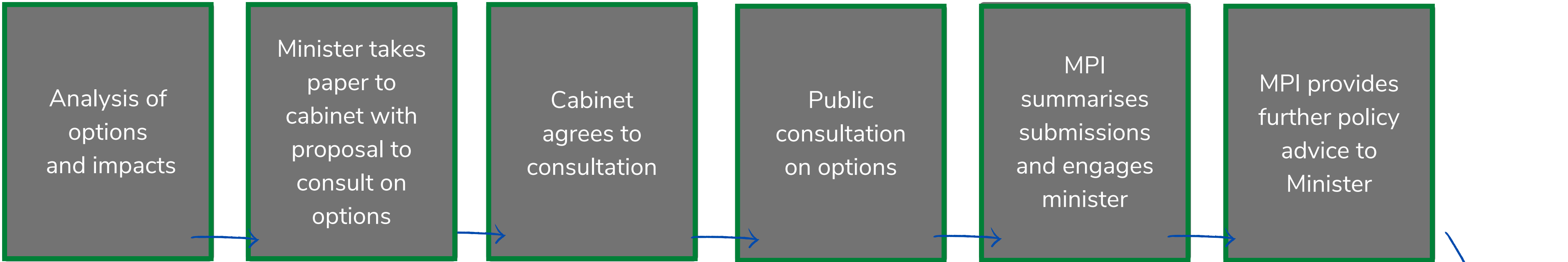
Open for Public
Comment

Organic Regulation

A rule of order having the force of law, prescribed by a superior or competent authority, relating to the actions of those under the authority's control.

Organic Standard

Describe the specific requirements that must be verified by an accredited certifying agent before products can be labelled as organic.



Complete
[*More Information](#)

BioGro Key Submission Points

We recognise the Organic Products Bill as the framework to a National Regulation and Standard. It's imperative that details within the Bill are in line to how we want things to operate moving forward. Below we highlight key submission points that we are most concerned about based on the content throughout the Organic Products Bill as it stands.

1 **Decision Making** - All decisions surrounding compliance sit with the 'Chief Executive' and 'Ministry'. There is reference to 'recognised' agencies carrying out compliance operations, yet not the certification approval process itself. *Clause references - 11, 12(2), 12-17.*

- This model raises concern, especially when it is not in line with international procedures that currently delegates approval authority and Organic Management Plan assessments to Third Party Agencies such as BioGro.

- BioGro as an organisation have 37 years experience with this decision making process. The proposed Bill suggests giving full control to less qualified and experienced personnel.

- 2** **Equivalency Agreements** - Concern surrounding how equivalency agreements will be managed moving forward. Due to our current lack of Regulation, we already have agreements in place allowing organic products to reach regulated overseas markets. *Clause references - 46, 50, 87.*
- How will trade continue whilst national equivalency agreements are being made?
 - What will the verification procedures be once regulation is implemented for unregulated markets looking to export to New Zealand and who will control this process?
 - Are there risk mitigation procedures in place for these changes to ensure international trade is not affected?
- 3** **Lack of Definition** - "The bill does not provide a broad brush definition of 'organic'". There are several instances where the definition can be open to interpretation. Most overseas comparisons explicitly state definitions clearly and so do other New Zealand Government Bills (E.g. Food Bill). We suggest New Zealand follow this protocol for the Organic Products Bill to avoid misinterpretation.
- 4** **Multiple Government Departments** - There is an indication that you could be dealing with multiple government departments to obtain certification. This multi-approach arguably creates a complicated structure with no transparency of which government departments will be involved and for what reason. *Clause references - 'Special Features'*

- 5 National Mark - Vague phrasing surrounding the implementation of a National Mark. *Clause references - 18.*
- Is this mandatory or optional?
 - How and who will control the verification of the National Mark?
 - What are the requirements for organic exports and using the National Mark?
 - Marketing implications?
- 6 Inputs for Organics - How will this be addressed with the implementation? There was no indication or mention of this throughout the contents of the Organic Products Bill.
- 7 Bill focus - There is a focus on products as opposed to organic production as an agricultural process. For example, The approval process doesn't take into account the three year conversion process for primary industry. *Clause references - 3, 9 (2).*
- 8 Exemptions - The Organic Product Bill states relevant Ministry and Personnel can receive recognition without relevant application. Would like more clarification on what grounds Ministry and Personnel can obtain such privilege and accountability for such decisions. *Clause references - 22.*

BioGro Other Submission Points

The points below are a collation of areas we wish to receive clarification and this includes submission points we have obtained from other organisations so far. Below we give you a chance to give us any feedback you would like BioGro to include within their submission.

- **Regulatory Impact Statement** - Aspects of the current organic certification process have not been taken into account. This suggests that the bill itself is based on an incomplete understanding of the current organic sector. An example of this is failure to recognise that current organic exports have to meet the regulations for the export market and recognising the standards as 'voluntary' (which is only an accurate statement for the domestic market).
- **Trans-Tasman Mutual Recognition Arrangement** - Australia will still remain an unregulated market. The Bill suggests that the Arrangement will remain through the implementation of a regulation here in New Zealand - there is no clarification that products imported from Australia will need to meet national organic requirements despite this.
- **Describing product as organic** - The Organic Products Bill explicitly lists a handful of descriptors. Suggest including a phrase such as 'but not limited to' to ensure all bases are covered. *Clause references - 9.*

- **Standard Review** - No indication that there will be a set review for the Organic Standards once implemented. Whilst we are already behind on implementation, if we don't enforce regular reviews it could see New Zealand getting 'left behind' again.
- **Retailers** - Clarification on retailers purchasing and re-packaging organic produce. *Clause references - 10 (c).*
- **Unlawful activity procedures** - There is no indication in the Organic Products Bill of precautionary procedures, whereby organic operators abuse the certification process. An example of this would be an operator losing certification due to non-compliance, then approaching an opposing verifier to obtain certification elsewhere. Should there be a time-frame where this is allowed?
- **Cost Implications** - Would like more transparency on fees, levies or charges with a cost recovery structure. *Clause references - 51-59.*
- **Transition Time**- There appears to be no mention in the Bill of the transition periods. Will these be expressed at the regulation level? *Clause references - 6.*

- **Product names** - We agree with the clause relating to the product. However, we would like the Bill to expressly forbid the use of the word organic in a company name or trading name unless all of their product is certified organic. There are current entities in New Zealand with the word organic in their trading name while selling non organic products. *Clause reference - 9.*

- **Cost Implications** - We accept that the appropriate fees will be in place. We would like to see a form of benchmarking of the total fees an operator is subjected to in comparison to many of our organic trading partners who have had organic regulations in for many years. *Clause references - 37.*

- **Cost Implications** - We would like an expression that the costs to operate the regime will be apportioned to all organic sales in New Zealand and all organic products exported from New Zealand. Not just to these markets which New Zealand currently has organic trading arrangements with. *Clause references - 51.*

- **Sector Development** - We would like to see the relevant levy that an organic grower or farmer pays under the Commodity Levies Act 1990 to be redirected (where the organic grower or farmer elects to redirect) to fund the development and operation of specific organic entities that perform similar marketing roles as primary produce marketing boards who currently receive the levy. This alternative is in practice in some of our major trading partners. *Clause reference - 115.*

What Next?

We are asking all of our customers and partners to take some time to go through the Organic Products Bill as shown on the Parliament [website](#).



Collate your points and include any points you agree with above into your own submission. Be sure to include as many people within your organisation throughout the process as possible.



If you have raised any points we have failed to identify within this document, please provide feedback on the following [form](#) so we can include this within our own submission. Please ensure all comments are back to us by Friday 15th May.



You have until **Thursday 28th May** to make a submission.