

SIMPLIFICATION MEASURES FOR THE EU ORGANIC REGULATION

Position paper

Executive summary

The Fair Trade Movement, representing over 830 Fairtrade organic producer groups with nearly 800,000 smallholder families and more than 50,000 worker families, welcomes the Omnibus on agriculture aimed at simplifying the Common Agricultural Policy (CAP) presented on the 14th of May 2025 and the European Commission's broader efforts to simplify the administrative burdens on farmers. This proposal marks the first agriculture-focused omnibus under the current legislative cycle and directly targets the EU's main policy framework affecting farmers. Its introduction represents an important milestone in streamlining support for those at the heart of our food systems.

However, the Fair Trade Movement calls on the Commission to look at simplification measures needed in other EU agricultural policies that impact EU and non-EU farmers alike. Particularly, the Fair Trade Movement calls on the European Commission to introduce simplification measures for the EU Organic Regulation (2018/848). Without urgent revisions and support, the livelihoods of smallholder farmers and the availability of organic and Fairtrade-certified products in the EU are at serious risk.

Background and context

The EU Organic Regulation aims to ensure rigorous organic standards, which the Fair Trade Movement stands by. However, its current structure and recent updates, including new requirements for “groups of operators,” have led to unintended and severe burdens on smallholder producer organisations in non-EU countries. Based on a recent Fairtrade International survey, around 69% of these organisations struggle with compliance, and 20% are not preparing to renew EU organic certification due to high complexity and cost. The challenges for adaptation to the new requirements of the EU Organic Regulation persist and the [risks exposed by us](#) during mid-2024 are confirmed. Simplifying the new organic regulation is essential to ensure the continuity of European supplies of imported organic products, economically accessible to European consumers.

Key challenges identified

- **Complex legal restructuring:** Requirements for group certification conflict with national laws in many countries. Compliance with the "Group of Operators" (GoO) requirements demands reorganisation incompatible with many national legal systems.
- **Increased costs:** Certification costs have increased by 50% to 500%, disproportionately affecting large producer groups, especially in Africa.
- **Market exit risk:** Many producer organisations may lose certification or exit organic production entirely, threatening the availability of organic products in the EU.
- **Supply chain impacts:** Disruptions and price hikes threaten availability and affordability for EU consumers and retailers.
- **Administrative opacity:** The lack of clear, consolidated regulations and FAQs creates further compliance risks.

Position and recommendations

The Fair Trade Movement calls for the European Commission to adopt the following simplification measures:

I. Technical clarifications and simplifications measures

1. **Group of Operators (GoO):** It would be useful to further specify that the required legal changes to comply with the EU’s definition of a Group of operators are compatible with national law. The EU Organic Regulation should not require legal changes or structures that are impossible to register in the applicable national context, as many farmer organisations are restricted by national laws more than

other types of legal personalities. In particular, timelines for applying the GoO requirements need to consider relevant timelines for registration of new legal structures in the national context and the complex reorganisation of all internal procedures. Even more preferably, the legal interpretation of Art 36.1 and its composition requirements as published in the FAQ document could be reviewed to mitigate the negative impact on many of the world's smallest organic producers on their ability to access markets.

- 2. Maximum annual organic turnover to qualify for group certification:** Many smallholder farms have a total farm holding of more than 5ha. The alternative limit of an organic turnover under 25.000€ was well chosen when the basic act was drafted, to allow that in most crops and countries, genuine smallholder farmers could be members in a group of operators.

However, currently (and almost 8 years later) the limit needs to be increased considerably and calculated on at least a 3–5-year average to provide a meaningful threshold for group membership. For illustration, only in the last 24 months market prices for coffee and cocoa have multiplied (up to plus 400%). For cocoa, as an example, several studies found that for decades almost no organic cocoa farmer came anywhere close to 25.000€ (often it was less than 10.000€), while since mid-2024 many groups face the situation that a significant proportion of members quickly exceeded the 25.000€ threshold and would need to be excluded from the group, while being clearly unable to afford individual certification with estimated costs of at least 2.000€.

Farm gate prices for producers have also increased considerably in most cases. A fixed annual turnover limit exposes many producers eligible for group certification to the risk of needing to aim for individual certification, with all administrative and cost implications while already during the next year dropping market prices might make the producer eligible for group certification again and may make individual certification unaffordable. As an indication: direct individual certification costs in most Fairtrade producer countries may represent up to 10% of the current turnover limit (before deduction of costs), surely this is not an affordable figure and not comparable to the costs experienced within the EU.

As a solution to avoid these fluctuations of eligibility, a legal entity eligible for group certification may be defined as a group of producers with a minimum of “small farmers” (e.g. less than 5 ha) supplying at least 75% of the product volume and a maximum of larger members (e.g. not more than 25% of production volume).

In the consideration of a new approach, it would be worth to question whether relying solely on the current threshold of 2.000 members is the most appropriate

method, or if additional criteria – such as the total land area cultivated by smallholder and larger members—should also be taken into consideration.

3. **Inspection Rate:** The minimum of 5% and 2% control rate for groups respectively will increase the cost burden for producer groups significantly. Such rates may apply in confirmed high risk situations, but, in “normal” circumstances the lower control and sampling rates combined with requirements such as strengthened, and risk-based Internal Control Systems should be sufficient to tighten the inspection regime.
4. **Residue testing-unauthorised substances:** there is still a lack of clarity on accepted residue thresholds and downgrading / de-classification procedures, as referred to also in the [Fit for Future Platform recommendations](#). The unclarity of applicable residue thresholds and the declassification procedures in case residues are found add enormous legal risks for supply chain actors.

On the economic side, given the increased frequency and complexity of samples requirements, the cost burden for producers and exporters to the EU is increasing massively. In this sense, lowering thresholds for sampling and frequency will help

Additionally, given constrained lab accessibility and lack of capacity, the feasibility to provide the required residue test results before import into the EU is a new massive business risk and liability uncertainty for all supply chain actors, in particular for all perishable products. Both may lead to trade blockages while the physical trade happens.

Clarification of these matters related to residue testing are critical for the organic sector at large, coupled with sufficient lead time before these rules become applicable. For perishable products, rules are needed that do not lead to trade blockages during physical shipments, e.g. by residue testing sufficiently long before harvest time.

The new list of “high risk products” (as per Art 8 of regulation 2021/1698), and its even higher sampling requirement, impose enormous additional costs and commercial risks on the affected countries, and yet the methodology for categorising countries/products as high risk is neither fully agreed between the Member States, nor transparent and predictable for the operators in these countries.

5. **High-risk product list approach:** The current approach needs to move from annual assessments by the Commission (with little announcement time for producers) to a more formalised and predictable risk-based approach according to agreed and transparent criteria. Until a review of the assessment criteria and appropriate measures is conducted, the current approach should be discontinued.

- 6. Authorised Substances:** With the change from equivalence in the previous regulation to compliance in the new regulatory setup, many low-cost traditional or locally produced plant-based pest control preparations may no longer be authorised for use. Pragmatic temporary solutions must be found to allow the use of local plants and botanicals that have been approved and found to be safe to use under the previous equivalence scheme for organic production. This should be allowed until full dossiers can be submitted and processed, and the extracts included in Annexe IV, which may take years depending on the rules for submission of dossiers.

II. Administrative Simplifications

- 1. Consolidated regulation versions:** In the first 30 years of the EU organic regulation, the sector benefited from the efforts of the Commission to publish a consolidated version of the regulation. Currently, many actors -and foremost producer organisations from Third countries- simply do not understand what is required from them and run the risk of, unintentionally, facing massive compliance risks.

Given the complexity of navigating the numerous applicable secondary acts, the Fair Trade Movement urges the Commission to publish a producer-friendly, consolidated version that compiles all relevant requirements specifically applicable to Third Countries. To support clarity, it may also be helpful to reduce or remove references to various horizontal acts in this context.

- 2. Improved FAQ System:** The current FAQs are a valuable resource, but they can be difficult to navigate, hard to search, and sometimes challenging to understand due to complex regulatory references embedded in the answers. It would be highly beneficial if the FAQs were managed more proactively, restructured and grouped by related topics, and written in clearer, more accessible language.
- 3. Impact assessments:** Given the potential for significant economic, environmental, and social impacts arising from the Regulation and its secondary acts, a study assessing the economic risks to the European market—such as supply disruptions, higher purchasing costs, and increased consumer prices—would be particularly valuable to better understand and address possible unintended consequences.

As highlighted by the recommendations of the [Fit For Future Platform](#), the large number of secondary acts is placing a burden on organic operators, competent authorities, and control bodies. To prevent further strain, the Commission is encouraged to conduct thorough impact assessments before introducing additional implementing or delegated acts that may impose significant costs or administrative burdens on the affected stakeholders.

These assessments should particularly look at additional costs and administrative burdens. To this objective, as a starting point, the Commission already has available the information gathered by [FiBL](#).

A study on the economic risks to the European market in terms of supply disruptions, increased purchasing costs and increased consumer prices would be particularly useful to better understand the impacts on the EU market.

- 4. Reasonable transitional periods:** Following the recommendations from the [Fit For Future Platform](#), the Commission is encouraged to provide reasonable, clear, and transparent transitional periods for organic businesses to adapt to new legal requirements.

The Commission has already, graciously, provided a derogation period for imports from operators and groups of operators in Third Countries until 15 October 2025. However, the Commission is encouraged to consider extending the transition period until at least **31 December 2026**, using 2025 to clarify and simplify the current regulation as suggested.

A full one-year transition period is essential to allow operators to fully adapt to the current rules—and, where applicable, to any newly introduced rules—once they have been thoroughly enforced and the practical implications, along with the necessary measures to address non-compliances, are clearly understood.

A longer transition time may also allow for registration of new legal entities and managing membership within registered entities. Importantly, in such an additional transition year, producers will need support for implementation on the ground; therefore, the following support measures are proposed.

While further postponement may be challenging, the request is supported by precedent, such as the EU Deforestation Regulation, where a one-year delay in implementation was granted shortly before the original deadline.

III. Support measures for producer organisations

- 1. Financial and legal assistance:** In cooperation with DG INTPA, it would be very relevant to provide targeted financial and legal support to producer groups for their initial adaptation, in particular regarding legal set up and Internal Control System requirements. The currently available support is not covering many critical countries for supply to the EU market and doesn't reach the majority of producers in need.

2. **Impact study:** In cooperation with DG INTPA, conducting an impact study on the financial implications for producer organisations in Third Countries, the potential risk of decertification, and possible remedial measures would be relevant. This study could be integrated with the above-mentioned impact assessment.

Conclusion

Without immediate simplification and support, the new EU Organic Regulation will lead to the decertification of many producer groups, reduced product availability, and weakened supply chains. Organic retailers and consumers in the EU face looming disruptions. Dual certification (EU Organic + Fairtrade), currently held by around 60% of Fairtrade products, is at serious risk.

Immediate and effective simplification of the EU Organic Regulation is critical to preserve organic and Fairtrade supply chains, support smallholder livelihoods, and sustain EU consumer access to ethical and environmentally sound products. The Fair Trade Movement calls on the European Commission to act swiftly and collaboratively to address these urgent issues.

Get in touch:

Virginia Enssle, International and Institutional Relations Manager, Fair Trade Advocacy Office (FTAO), enssle@fairtrade-advocacy.org

Andreas Kratz, Director Global Products, Programs & Policy and Director Standards & Pricing, Fairtrade International, a.kratz@fairtrade.net



This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of the authors and do not necessarily reflect the views of the European Union.



Fair Trade Advocacy Office

Village Partenaire – Bureau 2
Rue Fernand Bernier 15 - 1060 Brussels, Belgium
EU Transparency Register Nr: 860901940087-20
info@fairtrade-advocacy.org
www.fairtrade-advocacy.org