Organic Perspectives

Special Edition: Issues and Opportunities

Next Newsletter in May 2003

This edition is dedicated to recent news on the international organic products market. For further information, contact Stephanie Riddick, (202) 205-3771, Stephanie.Riddick@fas.usda.gov.

U.S. Organic Imports Likely To Be Affected By Bioterrorism Legislation

The U.S. Food and Drug Administration (FDA) has proposed a regulation to require domestic and international food facilities that manufacture, process, pack or hold food for human or animal consumption to register with the agency by December 12, 2003. A second provision requires prior notice to the agency before food is imported or offered for U.S. import. Both measures are related to the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. The Bioterrorism Act makes failure to register a prohibited act that may result in civil or criminal action in U.S. Federal court.

Source: <u>The Organic Standard</u>. Updated information on FDA's proposed regulation is located at http://www.fda.gov/oc/bioterrorism/bioact.html.

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Ann Veneman Defends the U.S. Organics Rule

In response to legislative changes in February 2003 to the National Organics Rule related to livestock and feed, Secretary Ann Veneman made the following statement:

Agriculture Secretary Ann M. Veneman February 26, 2003

"The National Organic Program is the product of 10 years of hard work and development by many interested parties with an extensive amount of public input. The program has benefited from bipartisan support from inception through publication of final program requirements, which were implemented late last year.

"I am concerned that the language inserted in the Omnibus Appropriations Act could weaken the National Organic Program. It is important to maintain a strong organic program that ensures the integrity of the organic label placed on consumer products. The best way to do that is by maintaining the organic standards as we implemented them in October 2002. I support bipartisan efforts to ensure those USDA standards remain in place.

"Since becoming Secretary I have worked to implement the National Organic Standards rule, ensured the standards met consumer expectations, and made every effort to prevent those standards from being weakened. To suggest otherwise or to question my commitment or the Department's commitment to a strong organic program is simply wrong."

Release number 0076.03. For more information see the National Organics Program Web site at http://www.ams.usda.gov/nop.



<u>International Trade Organization</u> Seeks Better EU Organic Label

A new federation of organic organizations, the Bureau Européenne Organic (BEO), presented its vision of a new EU organic logo at BioFach 2003 in Nuremberg. The aim is to improve the EU logo for certified organic products. The goal is to make the label more expressive and suitable for all products that meet the organic farming criteria of the EU Organic Agriculture Regulation. Until now, the EU logo has only been issued for products from the EU and not for imports.

Further information is available from BEO. Contact: Muriel Huybrechts, <u>info@beoweb.org</u> or refer to the BioFach newsletter at http://www.biofach.de.

TUTTO BIO 2003: The Italian Manual For The Organic Industry

Tutto Bio, the all-embracing compendium of the Italian organic world, now appears in its ninth edition. The 512-page book contains articles on a wide range of organic themes (in Italian) and more than 7,000 addresses. Listed are organic food stores and farms as wells as places to go for holidays on organic farms, training offers and lots more. In addition, the second edition of *Tutto Eco*, a guide to the world of natural (non-food) products, is also now available. *Tutto Eco* has information on organic architecture, natural textiles, environmental finance and organic hotels, with contact information for each.

More information is available at http://www.biobank.it and http://www.biobank.it and http://www.biobank.it and http://www.biobank.it and <a href="http://www.biobank.i

Organic Foods Reduce Children's Exposure to Pesticides

A recent University of Washington study has shown that children eating organic foods have less pesticide residue in their system. The researchers studied preschool children in Seattle and found that those that eat organic fruits and vegetables have less organophosphorus (OP) pesticides. The study was published in the March 2003 issue of the National Institutes of Health publication, "Environmental Health Perspectives". The report is entitled, "Organophosphorus Pesticide Exposure of Urban and Suburban Preschool Children with Organic and Conventional Diets".

The complete abstract is posted at http://ehpnet1.niehs.nih.gov/docs/2003/111-3/ss.html.

Worldwide There Are More Than 22 Million Organic Hectares

The International Federation of Organic Agriculture Movements (IFOAM), the Foundation Ecology & Agriculture (SÖL) and the Research Institute of Organic Agriculture (FiBL) presented the revised and updated edition of the study entitled "The World of Organic Agriculture - Statistics and Future Prospects" by Minou Yussefi (SÖL) and Helga Willer (FiBL) at BioFach 2003. Of the more than 22 million hectares (ha) farmed organically throughout the world, Australia accounts for approx. 10.5 million ha, followed by Argentina (3.2 million ha) and Italy with more than 1.2 million hectares. Germany holds seventh position in the world with 632,165 hectares. The leaders in terms of the organic share of the total agricultural area are the European Alpine countries and Scandinavia. Germany, with 3.7 percent, occupies eleventh place by international comparison.

The organic share of the total food market is expected to rise from the present 1-3 to 5-10 percent in the larger markets of Europe and the United States in the coming years.

For more information and to view the entire report, visit http://www.soel.de/english/index.html.

European Market Round Up

Germany: Fresh organic fruit sales are expected to grow in Germany by 8.1 percent during 2003 to 236 million Euros. Consumer confidence in organic foods is gradually returning in the wake of the Nitrofen scandal. (Source: http://www.just-food.com/.)

Switzerland: According to BioSuisse, sales of organic products in Switzerland were up 13 percent for 2002. These sales are valued at approximately \$765.7 million. (Source: http://www.just-food.com/.)

United Kingdom: Tesco, a leading food retailer in the United Kingdom, recently published a leaflet, "Organic: Your Everyday Choice" which promoted organic food as positive for shoppers health and the environment. The U.K. Advertising Standards Agency (ASA) was called in to adjudicate after a complaint was received that the statements were misleading. Tesco was told not to repeat the claim that organic food was safer and healthier than conventional food unless it could provide further substantial supportive evidence.

(For a full length article visit http://www.foodnavigator.com/news/printnews.asp?id=7318.)

USDA News

FAS Organic Products Web Site

The FAS Organic Products Web site at http://www.fas.usda.gov/agx/organics/organics.html offers constant updates in the "Hot Markets" section. Visit the page frequently for the latest news!

The most recent FAS international reports on organics markets and issues include:

- "European Action Plan for Organic Food and Farming 2003".
- "United Kingdom Organic Products Market Brief 2003"
- "Saudi Ministry of Agriculture Issues a GMO Labeling Requirements"

The FAS Organic Products Web site also features a new article from USDA-ERS (Economic Research Service), "Organic Agriculture: Gaining Ground".

Organic & Natural Buyer Alert!

USDA's Foreign Agricultural Service (FAS) has a special <u>Organic</u>, <u>Natural and Wellness Buyer Alert</u> newsletter highlighting exhibitors from the recent Natural Products Expo West held in Anaheim, CA.

To view the promotion visit: http://www.fas.usda.gov/agx/organics/Buyer.htm.

For more information on Natural Products Expo visit: http://www.naturalproductsexpo.com.

All Things Organic 2003 Coming Soon!

This year, USDA's National Organic Program staff will update the industry on international organic trade, current issues, opportunities and updates on the program. Join the Organic Trade Association May 14 to 17 in Austin, Texas.

For more information on the show and the Organic Trade Association visit http://www.ota.com.



Upcoming Events

For a complete list of events, visit the FAS Organic Products Web site "Calendar of Events for the Organic Industry".

International

- May 19-20, 2003 ORGANEX, Organic Food Show, Paris, France. Contact information: http://fr.organex.net or Caroline Joucla-Fabre or Paola Goyon, (33-1) 41 18 8618, paola_goyon@groupemm.com or caroline_joucla-fabre@groupemm.com.
- June 18-20 Natural Products Expo Asia, Hong Kong. For more information visit http://www.naturalproductsasia.com.
- August 18-22 6^{ft} IFOAM Asia Conference, Yangpyung, Korea. For more information visit https://www.ifoam.org.
- October 18-20, 2003 NATEXPO (formally the DIETETIC), Organic Health and Dietetic Trade Show, Paris, France. Contact information: Sylvie Dalouche, (33-1) 49 09 6068, sdalouche@comexpo-paris.com.

Domestic

- May 14-16, 2003: All Things Organic. Austin, TX. More information is available on the Organic Trade Association (OTA) Web site at http://www.ota.com.
- June 27-29 National Nutritional Foods Association (NNFA)
 Market Place 2003, Las Vegas, NV. For more information visit http://www.nnfa.org.
- September 4-7 Natural Products Expo East (Organic Products Expo – Biofach America), Washington, DC. For more information visit http://www.naturalproductsexpo.com.

ADDITIONAL RESOURCES:

- FAS, AgExport Services Division's Organic Page http://www.fas.usda.gov/agx/organics/organics.html
- National Organic Program Web site http://www.ams.usda.gov/nop

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Editor's Note: As publishers of *Organic Perspectives*, USDA-FAS-AgExport Services continuously strives to maintain a partnership with the organic food community by sharing information and providing export assistance through our many export program services. For more information on how we might support your company in establishing opportunities abroad, please contact us at (202) 205-3771.