**EU ORGANIC PRODUCTION AND LABELING: A PRIMER FOR PRODUCER GROUPS**

Organic production is a sustainable management system promoting enhancement of ecosystems and biodiversity through respect for nature’s systems and cycles and responsible use of energy and natural resources. Organic production systems ensure integrity at all stages of production, preparation, and distribution to meet consumer demand for high-quality food, and agricultural and aquaculture products that promote the health of the environment, humans, plants and animals.

New EU organic production and labeling requirements detailed in [Regulation (EU) 2018/848 and its related delegated and implementing acts](https://agriculture.ec.europa.eu/farming/organic-farming/legislation_en) went into effect on 1 January 2022. Operators in third countries that are currently certified to an equivalent standard must achieve certification to these new EU regulations no later than December 31, 2024 to continue marketing organic products to the EU.

**Applicable production rules.** The members of a group of operators must comply with all rules for organic production that are relevant to the crop or aquaculture product(s) produced by the group.

**Groups of Operators.** Detailed requirements for a group of operators are set forth in Article 36 of Regulation (EU) 2018/848. A group of operators must have a legal personality established in a third country; and may only be composed of a maximum of 2000 members who are farmers or operators that produced algae or aquaculture animals. The members’ production activities and any additional activities must take place in geographical proximity in the same third country and use a joint marketing system for the products produced by the group. The group must establish a system for internal controls including documented control activities and procedures through which an individual or management body is responsible for verifying that each member of the group complies with EU organic production and labeling requirements.

**Membership limitations.** Participation in a group of operators is limited to members that have a maximum holding of five hectares, except that the maximum holding size is 0.5 hectares for greenhouses or 15 hectares for permanent grassland. Alternatively, a member’s holding may exceed the established maximum size only in cases where (a) the individual certification cost represents more than 2 % of each member’s turnover or standard output of organic production and whose annual turnover of organic production is not more than EUR 25,000 or (b) whose standard output of organic production is not more than EUR 15,000 per year. A member of a group of operators may register to produce a given organic product with only one group of operators. A member of a group of operators shall register to only one group of operators for a given product.

**Internal Control System (ICS).** Each group of operators must establish an Internal Control System (ICS) to establish group procedures and ensure that all members understand and can implement the procedures and comply with organic production requirements. The system for internal controls shall include documented procedures on (i) the registration of members; (ii) internal inspections including annual on-site inspections and risk-based additional inspection; (iii) the approval or new members, new production units, and new activities of existing members on the basis of the internal inspection report; (iv) the annual training and corresponding assessment of ICS inspectors; (v) the training of members of the group on the ICS procedures and organic requirements; (vi) the control of documents and records; (vii) measure in cases of non-compliances; and (viii) internal traceability including estimating and cross-checking the yields of each member of the group. The group shall appoint an ICS manager and one or more ICS inspectors who may be a member of the group. Their positions shall not be combined.

**Membership Agreement.** The EU requires that groups of operators maintain a written and signed membership agreement between each member and the group by which members commit to compliance with the regulation, participation in the group, compliance with ICS procedures and tasks and responsibilities assigned to them, record keeping obligations, permitting access and being present for internal and external inspections in which they make records available and countersign inspection reports. Through this agreement they must also accept and implement measures in cases of non-compliance within the given time frame and immediately inform the ICS manager of suspected non-compliance.

**ICS Manager.** The ICS manager may not be an inspector. The ICS manager verifies the eligibility of members, ensures that each member signs the membership agreement, develops and maintains the ICS procedures and documents and makes them available to inspectors and members as relevant, maintains the list of members, assigns tasks and responsibilities to ICS inspectors, is the liaison for the group to the control body, verifies the annual conflict of interest statement of ICS inspectors, schedules internal inspections and ensures they are adequately carried out, ensures adequate training for ICS inspectors and annually evaluates their competence and qualifications; approves new members, production units, and new activities of existing members, decides on measures in case of non-compliance in line with ICS procedures; follows up on measures in case of non-compliance; and may also decide to subcontract activities.

**ICS Inspectors.** The number of ICS inspectors shall be adequate and proportional to the type, structure, size, products, activities and output of organic production of the group. The ICS inspectors shall be competent with regard to the products and activities of the group. ICS managers must carry out the internal inspection of members in accordance with ICS procedures; draft internal inspection reports on the template provided and submit it to the ICS manager in a reasonable time; annually submit a signed statement on conflict of interest; and participate in trainings.

**Documents and records.** A group of operators must maintain documents and records from the purpose of the Internal Control System. Article 5 of Regulation (EU) 2021/279 details the requirements for (a) the elements to be included in the list of members, (b) the signed membership agreement; (c) the elements of the internal inspection reports; (d) the training records of the ICS inspector; (e) the training records of the members of the group; (f) the records of the measures taken in case of non-compliance; (g) traceability records; (h) written agreements with subcontractors; (i) the appointment of the ICS Manager; and (j) the appointment and list of the ICS inspectors.

**Required notifications from the ICS manager.** The ICS manager shall immediately notify QCS of any suspicion of major and critical noncompliance, any suspension or withdrawal of a member or a production unit or premises, including purchase and collection centers, from the group; and any prohibition of the placing on the market of a product as organic or in-conversion, including the name of the member or members concerned, the relevant quantities and lot identification.

**Verification of the effectiveness of the Internal Control System.** QCS will verify the effectiveness of the Internal Control System during the annual review and inspection of the group and must implement measures in the case of deficiencies, including but not limited to those described in Article 36(2) of Regulation (EU) 2018/848.

**This document is a general summary of the EU organic production and labeling rules related to groups of operators. It is not intended as a substitute for a complete reading and understanding of the regulations. QCS is recognized by the European Union in Regulation (EU) 2021/2325 and pursuant to Regulation (EU) 2018/848 as a control body for the purpose of importing organic products into the Union. Certification services by QCS are limited to evaluation of compliance with organic regulations and provision of technical assistance in the form of general information like this document. QCS does not provide consultation services.**